The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Walter F. Boyle, of Georgia, to be Consul General.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Francis H. Styles, of Virginia, to be Secretary in the Diplomatic Service.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of William H. Hastie, of Washington, D. C., to be judge for the District Court of the Virgin Islands.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceed to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. McKELLAR. I ask unanimous consent that the nominations for promotions in the Navy be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed en bloc.

That completes the Executive Calendar.

RECESS TO MONDAY

The Senate resumed legislative session.

Mr. BYRNES. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 4 o'clock and 42 minutes p. m.) the Senate took a recess until Monday, March 22, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 19, 1937

DIPLOMATIC AND FOREIGN SERVICE

Erle R. Dickover, of California, now a Foreign Service officer of class 2 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

PUBLIC HEALTH SERVICE

Dr. John N. Bowden to be assistant surgeon in the United States Public Health Service, to take effect from date of oath.

APPOINTMENT IN THE NATIONAL GUARD OF THE UNITED STATES

GENERAL OFFICER

Brig. Gen. Carl Ashby Badger, Utah National Guard, to be brigadier general, National Guard of the United States.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 19, 1937

DIPLOMATIC AND FOREIGN SERVICE

Walter F. Boyle to be consul general of the United States.

Francis H. Styles, to be Secretary in the Diplomatic Service of the United States.

JUDGE, DISTRICT COURT FOR VIRGIN ISLANDS

William H. Hastie to be judge for the District Court of the Virgin Islands.

PROMOTIONS IN THE NAVY

Frank H. Sadler to be rear admiral.
H. Gordon Donald to be captain.
Robert R. M. Emmet to be captain.
Samuel S. Payne to be captain.
Theodore S. Wilkinson to be captain.
Hubert E. Strange to be lieutenant.
George Knuepfer to be lieutenant.
Edward A. Hannegan to be lieutenant.
Neale R. Curtin to be lieutenant.
Alan B. Banister to be lieutenant.
Lester L. Pratt to be medical director.
Harry E. Jenkins to be medical director.
John J. O'Malley to be medical director.
Willard J. Riddick to be medical director.
Chester M. George to be medical director.
Luther Sheldon, Jr., to be medical director.
Richard H. Laning to be medical director.
Robert G. Davis to be medical director.
John T. Borden to be medical director.
Carroll R. Baker to be medical director.
Daniel Hunt to be medical director.
John F. Riordan to be medical director.
George C. Rhoades to be medical director.
John C. Parham to be medical director.
Lyle A. Newton to be passed assistant surgeon.
Harry E. Harvey to be dental surgeon.
Smith Hempstone to be pay director.
Hervey B. Ransdell to be pay director.
James S. Bierer to be passed assistant paymaster.
Fred M. Earle to be naval constructor.
Sam P. Morgan to be chief boatswain.
Charles L. Knopp to be chief boatswain.
Jacob F. Lawson to be chief boatswain.
Francis M. Linderman to be chief boatswain.
Theodore R. Cooley to be chief boatswain.
Paul E. Pointer to be chief boatswain.
Howard H. Branyon to be chief boatswain.
George F. Wickens to be chief gunner.
Henry J. Schafer to be chief gunner.
Edmonde B. Kelly to be assistant civil engineer.
Adolph F. Benscheidt to be assistant civil engineer.
Joseph White to be assistant civil engineer.
George S. Robinson to be assistant civil engineer.
Carl J. Scheve to be assistant civil engineer.

POSTMASTERS

INDIANA

Arthur W. Govert, Griffith.
Carl R. Kluger, Morristown.
Lewis H. Acker, Muncie.

MASSACHUSETTS

John E. Higgiston, Milford.

MINNESOTA

Melvin G. Klasse, Westbrook.
Earl M. Wilson, Willow River.

NEBRASKA

Calvin L. Bonner, Imperial.

NEW YORK

Eugene A. Westcott, Jr., Cleveland.
William A. Eggison, Marcy.
Sarah E. Austin, Patterson.
Walter Stanhope, Thiells.

OKLAHOMA

Taylor C. Anthony, Blanchard.
Nettie I. McHenry, Chelsea.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 19, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, the merciful Father of humanity, allow not the clouds and darkness to be roundabout Thy throne. O Thou who didst climb the scarred and bleeding summit of Calvary, for Thy mercy's sake, hear our prayer. We pause at the riverside; our harps are on the willow; we falter

on the world's great altar stairs that slope through darkness up to God. Thou who canst fill with comfort broken hearts, broken loves, and broken lives, be Thou the angel of consolation in that sorely stricken district in our Southland. In their deepest sorrow and saddest bereavement unveil Thy face in every home where tragedy is so deep and overwhelming. O speak, Mighty Life, and let in the morning of hope and peace. Thou blessed Christ, whose love for little children was so divine that it would not let them go, take them and keep them in the white light of the Father's throne. Their shadow was love, their language was music, and their steps were a benediction. O Savior of the ages, hear our prayer. Amen.

The Journal of the proceedings of yesterday was read and approved.

PERSONAL EXPLANATION

Mr. EBERHARTER. Mr. Speaker, yesterday's RECORD shows that I was present at the session. However, when the roll was called on the Neutrality Act of 1937, Senate Joint Resolution 51, I was unavoidably absent from the Hall of the House on official business. Had I been present I would have voted "no" on roll call 33 on the motion to recommit and "yea" on roll call no. 34, on the final passage of the bill.

STATE AND FEDERAL TAXES

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, two things of importance have happened this week. One is that millions of people have made their peace with the income-tax collector, and the other is a rather pointed statement made by the Chairman of the Federal Reserve Board relative to balancing the Budget, and implying the necessity for further taxes. That, of course, raises a very interesting question about the conflict of taxation between the States and Federal Government, and on that question I should like to make some observations.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. RANKIN. The gentleman is speaking about the statement of Mr Eccles?

Mr. DIRKSEN. Yes, sir.

Mr. RANKIN. Does the gentleman expect to put the whole statement in the RECORD?

Mr. DIRKSEN. No; I do not. I think it has already appeared.

Mr. RANKIN. No; it has not. The gentleman from Pennsylvania [Mr. RICH] objected to my putting it into the RECORD, so I should like to have the gentleman from Illinois do so.

Mr. DIRKSEN. I had no intention of putting it into the RECORD.

Mr. RANKIN. It was a very important statement.

Mr. DIRKSEN. I think it is.

Mr. RANKIN. And bears on one of the most important questions this Congress will have to deal with. I should like to have the gentleman put the whole statement into the RECORD; it is not very long.

Mr. DIRKSEN. Monday of this week was March 15. That day is always front-page news. It is the day on which our citizens must have made their peace with the Bureau of Internal Revenue. It is the dead-line day for income-tax returns. For a brief while several million families are tax conscious as they render an account to the Federal Government. Thereafter the subject of Federal taxation is gently placed in moth balls and put away until the following March. Sooner or later, however, will come the time when the matter will not be so blithely dismissed, because there already looms before us what might be styled the irrepressible conflict between State and Federal taxes. It has already received the attention of the State taxing bodies and the Ways and Means Committee of the House of Representatives. Before long it must receive definite action.

The Federal Budget calls for expenditures of slightly over $6,000,000,000. This does not include relief and deficiency appropriations, nor does it include appropriations for the new legislation proposed. Already a deficiency bill running into hundreds of millions has been enacted. Pending before committees of Congress are bills dealing with housing, crop insurance, farm tenancy, expansion of the Works Progress Administration, and a host of other items. Under these impacts for more funds it is safe to say that we are on the way toward an $8,000,000,000 expenditure.

Revenues with which to meet expenditures for this fiscal year are estimated at slightly over seven and a quarter billions. There will doubtless be a deficit. Income will not cover outgo. Hence, there will be new borrowings. The Government's credit is good. All it need do to meet the deficit is to issue short- or long-term notes, bills, and bonds and sell them to the public. But these borrowings only serve to increase the national debt and continue an unbalanced budget. Borrowings serve to swell bank deposits, and increased bank deposits only add to the worries of the Federal Reserve Board, who want no unhealthy and artificial inflationary boom. Hence, every discerning person, knowing the potential danger in a continuing unbalanced budget, would like to have it balanced.

On that point, the statement of Marriner Eccles, Chairman of the Federal Reserve Board, made on March 15 is significant:

> Under present conditions of an accelerating recovery, a continued easy money policy to be successful in achieving and maintaining a balanced recovery must be accompanied by a prompt balancing of the Federal Budget and the subsequent retirement of public debt in relationship to the expansion of private credit * * *.

How shall it be done? We might print a supply of new money, provided we have no concern about the evil consequences to follow. We might economize. The word seems like a stranger and is seemingly out of date. There appears no thought of doing so at least. But if we do not print money, and if we do not economize, and if we want the Budget balanced, there is but one other way to effect it and that is more taxes.

Singular enough, States are experiencing the same difficulty. They, too, have been expanding governmental functions. They, too, have been subject to increasing demands on the State treasuries, and they, too, in order to keep their budgets balanced are constantly on the alert for new taxes. The unhappy taxpayer today is therefore in the position of free game, being stalked by a Federal tax collector and a State tax collector to see which of the two shall be first in getting the elusive dollars of the taxpayer. It is not a happy prospect, either for the taxpayer, for the State, or for the Federal Government.

This race between the Federal and State sovereignties for new taxes and larger taxes finally results in double taxes, in overlapping taxes, in expensive administration of taxing acts for the purpose of getting at the same source of revenue and in a host of other conflicts, all of which are aggravating a problem that must one day engage the best thought of those who sense the inequities in such a procedure. A few illustrations will make this abundantly clear.

Sales taxes: Today 25 States have a sales tax ranging in amount from one-fourth percent to 3 percent. It covers virtually everything that is offered at retail from cradles to caskets. For the fiscal year 1934, these 25 States collected more than $201,000,000 from this source of funds. Now, look at the manufacturers excise tax imposed by the Federal Government. This term is but an impressive variation of the term "sales tax", except in that it is collected at the factory instead of over the counter. It covers lubricating oils, gasoline, brewers wort, matches, tires, tubes, toilet preparations, furs, jewelry, radios, cameras, firearms, shells, cartridges, gum, phonograph records, motorcars, and some other items. From these the Federal Government expects to collect more than four hundred and forty-eight millions for the next fiscal year. How does it work from the standpoint of a taxpayer? Simple enough. If he buys a

radio, he pays a sales tax to the State in which he makes the purchase, and in the price he pays is hidden the tax which the Federal Government collected at the place where the radio was manufactured.

Gasoline taxes: Forty-eight States now have gasoline taxes ranging from 2 cents a gallon in Rhode Island to 7 cents a gallon in Tennessee and Florida. In 1934, the various States collected more than five hundred and sixty-one millions in gasoline taxes. But while the States were collecting more than half a billion a year from the motorists, the Federal Government found it to be an easy source of revenue also, and so it now collects more than two hundred and four millions on gasoline from the same motorists.

Motor-vehicle taxes: The 25,000,000 owners and operators of trucks, busses, and passenger cars in the 48 States pay an annual average of $12.35 in motor-vehicle taxes. That runs into millions. In addition, many cities collect so-called "wheel taxes" on the same vehicles. Then comes the Federal Government to collect more than fifty-eight millions annually in the form of manufacturers' excise or sales taxes, which is reflected in the price the motorist pays for his new car.

Income taxes: For the fiscal year 1938, the Federal Government expects to collect 3,134 million in income taxes, from millions of people. That is but half the story. Thirty-one States have taxes on personal incomes, 31 States have taxes on corporate incomes, and 29 States have taxes on both. In 1934, these State income taxes produced more than one hundred and thirty-seven millions in revenue. And what diverse income taxes they are! Individual exemptions range from $600 in West Virginia to $1,500 in Alabama. Exemptions for married persons range from $1,200 in Utah to $3,500 in Georgia. Income-tax rates in the various States range from a minimum of 1 percent to a high of 15 percent in North Dakota. And what tax oddities these diverse laws provoke! A man and wife with three children having an income of $5,000 would pay a tax of $132 in Iowa but would pay no State tax if living in Illinois. The same family with an income of $100,000 annually would, in addition to the Federal tax, pay a State tax of $4,882 in Iowa, $5,583 in New York, $13,500 in North Dakota, and $20,104 in Montana.

Liquor taxes: For the next fiscal year, the Federal Government expects to collect more than $643,000,000 in excise taxes on imported and domestic liquors, beer, wine, on rectifiers, on dealers, on stamps, and other things incident to the business of making and selling beer, wine, and alcoholic beverages. Forty-four States also have an assortment of liquor taxes which in 1934 yielded the tidy sum of $80,000,000. In addition, cities and counties now collect a variety of license fees.

Tobacco taxes: Since the Civil War, the Federal Government has been collecting taxes on tobacco. These taxes now include cigarettes, cigars, tobacco, and snuff. For the fiscal year these are expected to net a sum in excess of 543 millions. Now come the States to collect on cigarettes. Nineteen of them collected almost $24,000,000 from cigarettes in 1934. Here also one can discern real latitude. In Georgia the tax equals 10 percent of the sales price, in Arkansas it amounts to 40 percent of the sales price. But no matter what the range or variety, the smoker pays the bill.

Admissions: Long ago we came to regard taxes on admissions to theaters, concerts, and cabarets as a war hangover. But the war became history and the admission taxes, like Tennyson's brook, went on forever. It is perhaps a minor item, yet it will yield the Federal Treasury an estimated twenty million or more for the next fiscal year. It is such a pleasant kind of tax, apparently, for 34 States felt that it was a legitimate source of revenue, and in 1934 collected six and one-quarter millions from this source.

Inheritance or estate taxes: Combined Federal and State tax rates on estates of decedents are now three times as high as they were in 1926. Forty-seven States now have death taxes. The Federal rate ranges from 1 percent to 60 percent on the net taxable estate. Credit is allowed up to 80 percent for death taxes paid to the States. The State rates are so varied as to defy classification. In 1934 Federal collections on estates amounted to approximately one hundred and four millions and State collections to ninety-two millions.

There are other instances of overlapping taxation, but these will suffice to prove the point.

This whole matter of conflicting, duplicating, and overlapping State and Federal taxation raises some very interesting questions.

There is, for instance, the efforts of some States to lure industries and people of wealth to become residents within their confines on the promise of easy taxation.

Consider the item of administrative costs. The Federal Government has a far-flung tax-gathering machine consisting of collectors, administrators, field agents, deputies, clerks, stenographers, and what not. Administrative costs are high. I believe it has been estimated that the cost of collecting income taxes is about $2.17 per $100. It is in some respects slow and archaic. It has provoked 18 times more litigation than they have in Great Britain. In 1934 there were 20,446 of the 1931 tax returns still under investigation. There were an estimated 1,000 returns that were from 10 to 18 years old. Now add to that the administrative machinery of 31 different States which also gather income taxes and you get an appreciation of the enormous administrative and collection costs involved. These State costs for income-tax collection and administration range from 1 percent to 15 percent. It is an eloquent example of waste and inefficiency.

No two States have the same kind of bookkeeping and accounting. In the matter of corporate income taxes, capital gains and losses are treated one way in one State and in a different way in another. The net effect is that for enterprises doing business in many States, there are added costs in accounting to meet these diversities.

Consider the disturbing effect which conflicting taxation has upon the budget efforts of the various States. New sources of revenue may be tapped in order to set up a properly balanced budget only to find that regular or emergency legislation by the Federal Government a short while later has completely upset all State calculations. President Roosevelt while he was Governor of New York made this observation on the subject:

> This very week I have recommended to the legislature of this State four sources of additional revenue, each one of them an increase in existing taxes. Neither I nor the legislature has any knowledge of whether the Federal Government a month or two hence may or may not impose taxes on precisely these same sources. In the same way, neither the legislature nor I can, until this uncertainty is cleared up, take any practical steps to turn over any of our own tax sources to the local government units to help them out in the conduct of their local affairs. Even if the State were to allocate new tax sources to the cities or counties or towns, the whole system could be destroyed overnight by a sudden taxing of those same sources by Washington.

These observations do not pretend to be an exhaustive discussion of this subject. Nor does this pretend to be a sermon on the virtues of economy. I realize full well that as new demands are made upon State and Federal governments, new and increased revenues must be provided. I appreciate also that as both Federal and State expenditures reach higher and higher levels there is little hope that they will gradually recede. Our own fiscal history proves that cost of government never goes down to former levels. It is forever going up. And this very patent fact argues the point that as the States and the Federal Government go on and on in this mad and breathless race to uncover new sources of revenue or to push existing tax rates higher, overlapping and conflict and duplication of taxes becomes more and more entrenched. The longer this condition prevails, the more difficult it will be to remedy.

Some coordinated system must be worked out whereby excessive costs of tax collection and administration will be eliminated. Some agreement must be reached whereby certain spheres of revenue are relinquished to the States and other spheres to the Federal Government. Some uniformity of accounting must be effected to save vast sums to enterprises that do business in many States or throughout the Nation. These and many other problems must have

immediate and sustained study before people rebel against the practices of the vast tax-gathering machines.

Already the States have given careful study to the matter and the report of the Interstate Commission on Conflicting Taxation has pointed the way. It is now time for the Federal Government, through the Congress and through the Treasury, to lend its very best efforts to a cooperative effort with the States whereby a solution of this problem will be found.

The SPEAKER. The time of the gentleman from Illinois has expired.

NATIONAL GALLERY OF ART

Mr. KELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 217, providing for the construction and maintenance of a National Gallery of Art, with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take from the Speaker's table House Joint Resolution 217, with Senate amendments thereto, and concur in the Senate amendments. The Clerk will report the Senate amendments.

The Clerk read as follows:

Page 3, line 21, after "public", insert "free of charge." Page 5, line 18, strike out "works" and insert "work." Page 5, line 18, strike out "exhibited in" and insert "included in the permanent collection of." Page 5, line 19, strike out "they are" and insert "it be."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

A motion to reconsider the vote by which the Senate amendments were agreed to was laid on the table.

EXTENSION OF REMARKS

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon this joint resolution for the construction and maintenance of a National Gallery of Art.

The SPEAKER. Is there objection?

There was no objection.

THE JUDICIARY

The SPEAKER. Under special order of the House heretofore made, the Chair recognizes the gentleman from Georgia [Mr. DEEN] for 25 minutes.

Mr. DEEN. Mr. Speaker, at the conclusion of my statement I shall be glad to yield if I have any time remaining. Pending that, I prefer not to be interrupted.

I ask the indulgence of my colleagues while I speak on the President's proposal for reorganizing the Federal Judiciary.

At the outset let me say I regret the strong division on this question among members of the delegation from my own State; however, I accord to each of them, and likewise to every other Member of the Congress, sincerity and honesty of purpose and conviction; likewise, I retain the same attributes for myself.

This is a grave issue, and I am not unaware of its profound significance, not only as it relates itself to the present but because of its extending influence and effect on succeeding generations.

This is not the first time, however, that the country has been aroused on constitutional questions. Sixty-five delegates were elected by their respective constituencies to serve in the Constitutional Convention. Two from each of the States of New Hampshire, New Jersey, North Carolina, and Georgia, and one each from Virginia and Massachusetts, or a total of 10, through indifference or opposition declined to attend.

Patrick Henry, the celebrated Virginia orator, not only opposed the calling of the Convention but opposed ratification of the Constitution in the Virginia Convention. After its ratification Patrick Henry became one of its most earnest and loyal supporters.

Sixteen of the delegates did not sign the Constitution. Seven of them, John Lansing, Luther Martin, George Mason, John Francis Mercer, Elbridge Gerry, Edmond Randolph, and Robert Yates refused because of outright opposition to its adoption. Nine of them, on account of absence or illness, did not sign it. All of them later were warm supporters of the Constitution. The memories and achievements, both of the opponents and the proponents, merit the everlasting gratitude of the American people.

An illustration in one State, that of Virginia, shows the strong diversity of opinion among its delegates. Because of his constant efforts for a constitution, James Madison, of Virginia, was called the "Father of the Constitution." He sought and became a member of the State legislature in order to initiate the action which resulted in the framing of the Constitution. He was one of the most effective and influential members of the Constitutional Convention. Completing his useful career at the age of 85, he passed to his reward as the last survivor of the framers of the Constitution.

While Madison was the dominant figure in the Constitutional Convention, two of his colleagues from Virginia strongly opposed the Constitution and refused to sign it. Mason contended that the Constitution was not democratic enough and fought its adoption by Virginia in the convention of that State. Randolph opposed the reeligibility of the President for reelection, the granting of powers of pardon to the President, the establishment of the office of Vice President, equality of the States in the United States Senate, and, above all, the control of commerce by the United States Congress.

These three distinguished Virginians were supported by a divided opinion in their State. Madison's friends and admirers later elected him President of the United States, while George Mason was elected one of the first United States Senators from the State of Virginia, and Edmond Randolph was appointed by President Washington as the first Attorney General of the United States, later succeeding Thomas Jefferson as Secretary of State in President Washington's Cabinet.

It therefore can be seen clearly from this brief sketch of the differences of opinion among members of the Constitutional Convention regarding the meaning and interpretation of the Constitution, its adoption by the delegates, and subsequent ratification by the States that the acceptance of the Constitution as finally approved upon ratification by three-fourths of the States was not without conflict and compromise upon the part of many members of the Constitutional Convention and the respective State conventions.

It is equally clear and evident that any change in the Constitution proposed by Congress or the Chief Executive of the United States and the passage of laws by the Congress involving a Constitutional question immediately arouses a divergence of opinion.

Since no member of the delegation from my State who has prior claim or seniority has chosen to speak in behalf of the President's proposal to reorganize the Federal judiciary, I ask your sympathetic attention while I address myself to three or four phases of this controversial question.

I am supporting the President's proposal because I believe it to be constitutional; secondly, because I believe the facts and circumstances submitted by the President in his message to Congress justify the proposal. I am not supporting it because of high pressure nor for political expediency. The charge that has been hurled at proponents of this legislation, namely, that we are "rubber stamps", is silly, asinine, and ridiculous. This charge comes from those who would impugn the motives, honor, and integrity of duly elected Representatives of the people.

A great many ugly words and phrases have been injected into the discussions of this important question. "Dictator", "dictatorship", "packing the Supreme Court", "unpacking the Supreme Court", "usurpation of judicial functions", "destroying the Constitution", "a subservient judiciary", "destruction of liberty"—these and many other indictments have been hurled at the President and the Congress.

We can best judge the future by the past. Four years of Democratic administration under President Franklin D. Roosevelt is the best answer to these charges. Because of his humanitarian policies, his statesmanship, scholarship, and leadership, prosperity and happiness are abroad in the land, which conditions have been wrought out of chaos. Have you forgotten the dark and dismal clouds of despair, want, misery, and poverty which enveloped the Nation in 1931 and 1932? Have you forgotten the banking crisis of 1933?—Nineteen-cent corn and 20-cent wheat, 6-cent cotton, and 5-cent meat? Can it be possible that the opponents of this democratic proposal of a great Democratic President can forget so easily?

As a layman, may I present to you, in all sincerity and honesty, an excerpt taken from a letter written to me recently by a layman in my State. I quote:

> I want to thank you for the stand you have taken with President Roosevelt on the Supreme Court. I, who am one of the rank and file who went to the polls last November and voted for Mr. Roosevelt—don't understand what all the shooting is about, but we understand the President. Continue to back him.

I grant you that there are most capable lawyers on both sides of this question, and, as usual, there are some in the middle or on the fence. The American Bar Association has registered its disapproval, while the National Lawyers' Guild has emphatically registered its unqualified approval. The Attorney General and the Assistant Attorney General of the United States have most emphatically outlined their reasons for the necessity and urgency of the President's proposal.

I have been wondering to whom the Constitution belongs, whether to the American Bar Association or to all the people of the United States. I have read it many times, and on various occasions, and I think I understand it. It is written in clear and simple English. Since I am a layman and have a great admiration—veneration is too strong a word—for the intricacies of legal reasoning, my thoughts will be phrased in questions. I do not want to argue; I am seeking and trying to pursue the truth. I have no desire to add my voice to the emotional feelings that have already sprung up, not only in Congress but among the people of the United States. The learned propaganda and the colored opinions which have poured forth upon us as Members of Congress and upon the public through the press, the radio, the United States mail, the opinions of newspaper columnists, and the misplaced fervor of certain groups in this country should be examined dispassionately.

A dispassionate examination discloses to rational minds that ours is a democratic form of government, which, if it means anything, means that the powers are derived from the consent of the governed. The Constitution is our fundamental law. It is the primary law of our Government and by definition that government derives all of its authority from the Constitution. As Webster defines it:

> A constitution is a fundamental law of a state directing the principles upon which the Government is founded, and regulating the exercising of sovereign powers, directing to what bodies or persons these powers shall be confided and the manner of their exercise.

As Justice Cooley, that eminent authority on the Constitution, says, "It is but the framework of the political government."

There is no need of my reiterating to you the well-understood doctrine of checks and balances. I know, and you know, what are the duties of this legislative body. I know, and you know, what are the duties of the executive branch of our Government. But it is when I come to the judiciary that I, a layman, want to ask my legal friends some questions. I think I understand the Constitution. But when I pick up the Constitution and read what is the fundamental law of the United States and what the Constitution has to say about the Supreme Court, it is then that I begin to wonder why the lawyers are confused on the President's proposal to reorganize the judiciary. Article III seems to me perfectly clear. It says that the judicial power is to be vested in "one Supreme Court and in such inferior courts as the Congress may, from time to time, ordain and establish. The judges, both of the Supreme and inferior courts, shall hold their offices during good behavior and shall at stated times receive for their services a compensation which shall not be diminished during their continuation in office." This is all that I can find in the Constitution about the Supreme Court. Therefore, I propound this first fundamental question: Where in the Constitution is anything said about the number of Justices? In fact, I will broaden the question. What is to prevent the President and the Senate from appointing and confirming 15, 25, 35, or even 50 Justices of the Supreme Court? What in the Constitution prohibits the appointment of only three or five Justices to the Supreme Court? Is there anything in the Constitution to prevent the appointment of all the Justices at the ages of 23 or 33, or any other age? Is there anything that would prevent the appointment of the Justices from Rumania, or from any other foreign country? Is there anything in the Constitution that requires the President to appoint Justices who are lawyers? Can you point out any restriction in the Constitution as to age, color, race, creed, ability, or citizenship as a prerequisite or requirement for appointment as a Justice on the Supreme Court bench? Therefore, I ask what is all the legal quibbling about?

These broad and discretionary powers delegated under the Constitution to the Chief Executive of the Nation in selecting proper persons for Supreme Court Justices convince me that the framers of the Constitution were willing to trust the President of the United States to exercise this important administrative function in a manner satisfactory for the most part to the majority of the people of the Nation. I am frank to tell you, that I believe the appointment of not more than two or three outstanding and distinguished laymen on the Supreme Court Bench would add greatly to the proper consideration by the Supreme Court of facts and circumstances involved in cases before the Supreme Court. Since juries are made up of laymen, on whose judgment rests the great majority of verdicts of the courts, I can see no justifiable reason why two or three laymen on the Supreme Court Bench would not be equally valuable in the consideration and determination of questions of facts.

May I submit to my colleagues another question: Under the Constitution, as quoted in article III, why cannot Congress increase or decrease the number of justices at its pleasure? History tells us in its recorded pages that this has been done from time to time. In 1789 the Supreme Court was established with 6 members; in 1801 the number was reduced to 5; in 1807 it was increased to 7; in 1837 it was increased to 9; in 1863 it was increased to 10; in 1866 it was reduced to 7; and in 1869 it was increased to 9. Opponents of the proposed legislation must be honest and admit one of two propositions: Either we did not need 10 Justices of the Supreme Court in 1863, when the population of our country was less than 40,000,000 people, or we need more than 9 Justices now, with a population of more than three times that of 1863. This is simple logic that can be easily understood.

It is therefore clearly within the Constitution that the President and the Congress have the right under the Constitution, as evidenced by precedent, to increase or decrease the number of Justices of the Supreme Court. Under the present law, Justices with 10 years' service are eligible for retirement at age 70, with full retirement pay. Without reflection upon any of my colleagues or opposition from whatever source, I have heard no argument either of facts, law, or precedent, that justifies the iniquitous charge that the President of the United States is laying the foundation for dictatorship, or that Congress is not within its constitutional prerogatives.

Now I come to another paramount question and I approach it seriously and candidly. I challenge my lawyer friends to give me a satisfactory answer to this question: Where, in the Constitution is the Supreme Court given the power to invalidate acts of Congress? The Constitution itself is silent. Of course, I have heard and read much of the famous Marbury versus Madison. I know that a great deal has been written and spoken upon this very question from the time of the Constitutional Convention down to

this very moment. For example, in April 1906, Chief Justice Clark, of North Carolina, said, speaking at the Pennsylvania Law School:

> The action of the Supreme Court in assuming the power to declare acts of Congress unconstitutional was without a line in the Constitution to authorize it, either expressly or by implication. (CONGRESSIONAL RECORD, June 15, 1908, pp. 8063–65.)

The remarks of this learned judge seem to accord with my point of view as a layman. In studying the question I thought that both of us might be wrong.

Concluding, that even though the Constitution does not say so in expressed words, perchance by some process of implication which I as a layman did not understand, it might be possible for the Supreme Court to get this power out of the Constitution. Realizing that this case and question has agitated legal minds for many years, I decided to go to an even greater authority than Chief Justice Clark, of North Carolina. Where did this power come from? The question has been answered at least to my satisfaction by a book entitled "The Supreme Court of the United States." Its author is the present Chief Justice of the Supreme Court. On page 87 of this book Chief Justice Hughes says: "By the Supreme Court itself the question was determined in Marbury versus Madison." "By the Supreme Court itself"—that answers my question. Frankly, I had thought, as a layman, that the Supreme Court or the judiciary was under the Constitution—and not over the Constitution. Granting that Chief Justice Hughes' statement is correct, and I am convinced that it is, then the Supreme Court by itself, gave its own tribunal, without a semblance of authority from the Constitution, the power to invalidate acts of Congress. If the above statement quoted from Chief Justice Hughes' book entitled, "The Supreme Court of the United States," does not prove my contention, then what does it prove?

Although the three departments of Government, the legislative, the judicial, and the executive, are separate and distinct and independent units of the Government, it is clear to me that the Supreme Court invaded the legislative branch of the Government and assumed for itself a legislative function which, under the Constitution, rests with the Congress.

And now I come to another question: Why do not judges pay an income tax on their salaries? They are the only employees of the Federal Government who are not subject to pay an income tax on their salaries. Some of us have just undergone the experience of filling out income-tax reports. Although it may hurt a little to separate ourselves from a few hundred dollars for income taxes, I agree with the remark of the late Justice Holmes when he said that "it was a privilege to pay taxes, because they are a small price to pay for the gift of civilization." I can find nothing in the Constitution about an income tax, and so I have no particular quarrel with the Supreme Court which held in 1895 that it was unconstitutional. But I can still read the English language; and when the income-tax amendment was passed in 1913 it read that all incomes were subject to taxation, "from whatever source derived." Yet the Supreme Court 6 years later said, in a split decision, that judges do not have to pay an income tax on their salaries because that would be diminishing their compensation during their period of office. This was held to be unconstitutional. Let us look at the facts: Article III of the Constitution declares salaries of judges cannot be reduced during their period of office. For one, I do not agree that the framers of the Constitution intended this language to mean an exemption from the payment of income tax. I think the framers of the Constitution meant the salaries could not be reduced by a specific act of Congress. The Income Tax Amendment of 1913 that makes it clear that all incomes, from whatever source derived, are taxable would be flexible and yet specific enough to include an income tax on salaries of Justices of the Supreme Court.

As a layman I have some satisfaction in knowing that some of our greatest judges have handed down decisions which are in line with my conviction. In Evans versus Gore, decided in 1919, in which the majority held that the salaries of judges could not be taxed, Justice Holmes, in a notable dissent in which Mr. Justice Brandeis concurred, said:

> A second and independent reason why this tax appears to me valid is that, even if I am wrong as to the scope of the original document, the sixteenth amendment justifies the tax, whatever would have been the law before it was applied. By that amendment, Congress is given power to "collect taxes on incomes from whatever source derived." It is true that it goes on "without apportionment among the several States, and without regard to any census or enumeration" and this shows the particular difficulty that led to it. But the only cause of that difficulty was an attempt to trace income to its source, and it seems to me that the amendment was intended to put an end to the cause and not merely to obviate a single result. I do not see how judges can claim an abatement of their income tax on the ground that an item in their gross income is salary, when the power is given expressly to tax income from whatever source derived.

I have asked these questions in order to let the opposition show whether or not they can submit satisfactory proof to substantiate their charges. The decision recited from Justice Holmes shows to me clearly that the Supreme Court had no authority to exempt Justices from payment of income taxes—and that after 18 years of debate attempt to remedy this state of affairs was nullified by the Supreme Court in an unusually bold example of "tortured construction" of the Constitution.

Marshall's decision in Marbury versus Madison has made the American people forget that the judicial branch of our Government is not supreme to the other two branches of the Government. This decision has made the people of the United States forget that neither of the branches is independent of the others, and neither is superior to the others. The functions of the three branches of Government are so clearly defined that the executive is not the inferior of the judicial, any more than it is the superior of the legislative branch, and yet, unless this proposal is enacted into law, the Members of this Congress must accept the fact that their inactivity has the full force and effect of the seal of unlawful authority on the obviously unlawful action of the Supreme Court in its assumption of legislative prerogatives.

If Congress remains inert and passive it will have recognized that although its duty under the Constitution was to be the national legislative body, it will have subordinated itself to a higher and, shall I say, superlegislative body? It has been pointed out that the Constitution is what the judges say it is. If I understand the Constitution, the framers did not intend that the Supreme Court should be regarded by the American people as a superhouse of lords.

Years ago the same struggle which now faces this country was fought out in England between the House of Commons and the House of Lords.

The SPEAKER pro tempore (Mr. MERRITT). The time of the gentleman from Georgia [Mr. DEEN] has expired.

Mr. COX. Mr. Speaker, I ask unanimous consent that the gentleman may have sufficient time to complete his remarks.

Mr. DEEN. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DEEN. That struggle ended as only true believers in democracy must have wished it to end—in victory for the House of Commons—a body elected by the English people and responsive to them, over another body not elected by the people but appointed by the King and holding office for life. In that situation let it be remembered that the House of Lords, by their own action, stripped themselves of their veto power over the House of Commons. Today in England there is no judicial review, nor any superlegislature with ultimate authority over a statute passed by the people's elected legislature.

The warning of Madison in 1789, when he said that the courts should have no veto power over the acts of legislators, is just as timely today; however, I do not subscribe to the policy that action by the legislators should not be reviewable by the courts. I do contend, however, that the assumed power of the Supreme Court to invalidate acts of Congress is not within the Constitution. Madison points out:

The judiciary department, paramount in fact to the legislature, was never intended and can never be proper.

Jefferson, in his memoirs, puts it more bluntly when he remarks:

To consider the judges as the ultimate arbiters of all constitutional questions would place us under the despotism of an oligarchy.

May I add in this connection at this point that if I am wrong I am following Madison and Jefferson and other distinguished Democrats who helped frame this Government.

In addition to the timely words of these two Presidents of the United States, other Presidents have objected strenuously from time to time to the usurped power of the judiciary over the other two branches of the Government. May I point out to you that several Presidents have recommended to the Congress from time to time a revision of the Federal judiciary. Presidents George Washington, John Adams, Thomas Jefferson, John Quincy Adams, Andrew Jackson, Franklin Pierce, Abraham Lincoln, Chester A. Arthur, and Grover Cleveland. All of these commented on the necessity for reform of the judiciary in their annual messages to Congress.

In the light of our history may I ask wherein is there anything revoluntionary or unprecedented in President Franklin D. Roosevelt's proposal to reorganize the judiciary?

Much has been said in recent days about the due-process clause and about the commerce clause of the Constitution. In my study of this whole problem I have found a great many noble decisions on these two points. After the Civil War, when the various States began to pass laws regulating freight rates, an attempt was made to have these laws declared unconstitutional, as violating the due-process clause. However, in 1876 a divided Court held that the Court could regulate prices charged by public utilities although it is a violation of the due-process clause to fix the price of commodities such as cotton, groceries, and automobiles (*Munn* v. *Illinois*, 94 U. S. 113). The Constitution itself makes no distinction between regulation of public utilities and private business. It is now a well established part of the "unwritten" divisions of our Constitution that public utilities can be subjected to a rather high degree of governmental regulation, although private business can be regulated to only a very limited extent.

When the Supreme Court decided that public-utility rates could be regulated, it definitely suggested that there was no constitutional restriction whatsoever on the rate which the Government might set. It was not long, however, before the Court developed the rule that the rate fixed might be "reasonable." By "reasonable" is meant what the Court in its opinion considers reasonable. Even though the Interstate Commerce Commission decides that a railroad freight rate is reasonable, the rate nevertheless is unconstitutional, if it is adjudged as being unreasonable in the opinion of the majority of the members of the Supreme Court. Not infrequently the Supreme Court has held unconstitutional an electric rate, which a State legislature and a State public-service commission have found to be reasonable.

More and more frequently the Supreme Court is exercising this power of unreasonable, arbitrary, or capricious authority in its interpretation on the unconstitutionality of laws. Between 1920 and 1930 more State laws were held unconstitutional by the Supreme Court of the United States than during the entire period of 52 years of the history of the fourteenth amendment.

The charge has been made that the President's proposal is not a party question. I deny that charge, and, for one, I contend that when the American people rendered their verdict in November 1936, as approving or disapproving the policies of the present Democratic administration, they—the voters and taxpayers—by a large majority, subscribed to the President's philosophy of looking forward. The proposal to reorganize the judiciary comes from our Democratic President, approved and supported by the leadership of both the House and Senate, and I, for one, propose to support the proposition. It is true, however, that I have not agreed with the President or the Congress on some of the measures recommended and enacted into law. As a humble Member of this body and as an American, my first duty under my oath of office is to act on my best judgment, thought, and intelligence in legislating for the whole country and for the greatest good to the largest number of people. In supporting this measure I feel I am rendering that kind of service to my country.

As a Democrat and believing in our principles of democratic government, and as a supporter and an admirer of the President, I propose to stand by the administration which has meant so much to labor, to business, to industry, to agriculture, and to almost every phase of human endeavor.

At this point I am reminded of that ancient fable which tells the story of an archer who, seeing a large eagle soaring in the sky above, drew back his bow and let fly at the eagle an arrow which pierced the eagle's heart and brought him to the ground. While lying on the ground dying, the eagle slightly moved his head and looked up into the face of the man who shot him and said: "It is not the arrow that pierces my heart and which is killing me that hurts so badly, but it is the fact that the feathers in that arrow came from without my own wing."

My colleagues on the Democratic side, may it not be said that we furnished the feathers for the arrow which pierced the heart of a great humanitarian and Executive in the White House, by our failure to carry out the mandate of the American people, expressed at the polls in November 1936. [Applause.]

If I have any time remaining, I shall be glad to yield to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, I would not undertake to embarrass the gentleman's very splendid discussion by propounding questions to him. I ask unanimous consent that I may proceed for 3 minutes.

Mr. DEEN. Well, I am within my time and I should like to reply to my colleague by saying that I will attempt to answer any questions he may ask.

Mr. COX. If the gentleman is eager, I will undertake to accommodate his need.

Mr. DEEN. I yield to my colleague.

Mr. COX. Do I understand that the gentleman is contending we should adopt this proposal to reform the judiciary in order to get an enlarged Court that will give a meaning to the Constitution that is different to the meaning given by the Court as now constituted?

Mr. DEEN. I did not so state in my remarks.

Mr. COX. Whether the gentleman stated it or not, is that his understanding of the meaning and purpose of the proposal?

Mr. DEEN. Does the gentleman mean is that my understanding?

Mr. COX. Yes.

Mr. DEEN. My understanding is that the President desires to have these additional judges in order to expedite matters before the Supreme Court.

Mr. COX. Does the gentleman mean by that, that the record has disclosed that the business of the court is so far in arrears that it is necessary to enlarge the membership to speed up the handling of the business?

Mr. DEEN. My answer would be "yes", for the reason that the Supreme Court heard less than 20 percent of the cases submitted last year.

The SPEAKER pro tempore. The time of the gentleman from Georgia has again expired.

Mr. COX. Mr. Speaker, I ask unanimous consent that I may proceed for three minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I would not intentionally undertake to detract in the slightest from the very splendid statement just delivered by my colleague, Mr. Deen. However, if this demand that is now pressed upon the Congress for a new Court to give a new interpretation to the Constitution should be adopted, the Federal Government will then have

taken into its ravenous maw all State power, and the fight of a century and a half for federalization of the activities of the people will have been accomplished, and this country moved up perilously close to the brink of despotism.

Mr. Speaker, I did not ask for time in order to make that statement, but to refer to an entirely different matter.

The sit-down strike, which constitutes the seizure and holding of private property for ransom, is anarchy in its worst form.

The performance of labor in the Detroit area is a disgrace to the Nation, and is a condition that labor itself must take immediate steps to correct. I am not insisting that defiance of the courts calls for Federal intervention, it being more properly a matter for the States to handle; but it does call for expressions of condemnation from people in places of authority in the Federal Government.

Our Department of Labor has seemingly locked its doors and suspended business. Its temporizing has been given the meaning of open connivance. The Major Berry outfit has done nothing more than add fuel to the flames, and a statement credited to a gentleman at the other end of the Capitol appearing in the papers yesterday does no good. Referring to the question of Federal intervention, this gentleman said:

> Until the Supreme Court has passed upon the validity of the statute referred to (the Wagner Labor Relations Board), it is exceedingly difficult to make advancements.

This is another back-handed lick at the Supreme Court and is not persuasive. To create a condition of disrespect for the courts and open defiance of their decrees, and then charge them with responsibility for this state of lawlessness, is conduct which is not becoming honest men. [Applause.]

[Here the gavel fell.]

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATION BILL, FISCAL YEAR 1938

Mr. McMILLAN, from the Committee on Appropriations, reported the bill (H. R. 5779) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1938, and for other purposes (Rept. No. 433), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. WIGGLESWORTH. Mr. Speaker, I reserve all points of order against the bill.

THE SUPREME COURT ISSUE

The SPEAKER. Under the special order of the House the gentleman from Massachusetts [Mr. TREADWAY] is recognized for 45 minutes.

Mr. TREADWAY. Mr. Speaker, no one who has given studious attention to the President's proposal touching the Supreme Court of the United States can fail to be impressed by the evidence it offers of pronounced tendency toward executive absolutism.

When all the President's arguments are analyzed they reduce simply to this—that Mr. Roosevelt is displeased and annoyed by certain decisions of the honorable Court and desires, therefore, to change the personnel with a view to forcing from the Court exactly the kind of decisions he thinks it ought to render. That is the real argument and purpose behind this shocking thrust at the independence of our judiciary—and no amount of camouflage, no amount of demagogic distortion, can conceal this destructive purpose from public examination. And destructive in purpose this program undeniably is, for if the people once surrender the independence of the judiciary, the essential function of the tri-partite system of checks and balances in government has been destroyed, and the whole system of personal liberties and individual rights built up during more than 700 years of Anglo-Saxon law, will be at the mercy of the Executive.

All too few are the working systems of representative government in the world today. Since the World War they have been crushed successively by the European dictatorships of blood and iron. If, in these circumstances, America surrenders to dictatorship, the spiritual, social, and moral progress of centuries will be cast aside.

ISSUE NOT A PARTISAN ONE

And yet this momentous issue—an issue which touches the elemental individual liberties of every citizen in the land—is bluntly submitted by Postmaster General Farley as a strictly partisan question. Let me read what he said on this point before a party gathering in North Carolina 10 days ago:

> It seems to me—
>
> Said Mr. Farley—
>
> that the reorganization plan comes directly into the class of those matters on which party loyalty should be the guiding principle.

Thus, according to Mr. Farley's definition, this is only a question of party loyalty—although it is in fact the gravest issue this country has faced in two generations. Happily for all, Mr. Roosevelt and Mr. Farley cannot make it a party issue. The debates transcend by far the bounds of party loyalty. In the Senate particularly have defenders of the Constitution, Democrats and Republicans alike, consolidated their forces to check the President's reckless assault upon the American system of representative government.

PRESIDENT HAS CONSISTENTLY SOUGHT ENLARGEMENT OF HIS POWERS

But let me point out one additional fact of singular significance in this connection. It is this: Every major proposal submitted by President Roosevelt thus far in the present session of Congress has been earmarked by the same underlying tendency toward the concentration of power in the White House. First there came to us the sweeping proposals for the reorganization of the executive branch, with its suggestion for the abolition of the General Accounting Office, the Civil Service Commission, and the centralization of the independent commissions under the Presidential wing. Here was the most astonishing grasping for authority ever proposed to Congress by an Executive. If passed, these recommendations will focus every power of the executive branch and virtually all of the quasi-legislative and quasi-judicial powers of the independent commissions as well in the White House. It will give the President powers equal to those exercised by the domineering rulers of several foreign countries I could mention, where representative government no longer exists. Only control over the Supreme Court then will be needed to complete the basic machinery of dictatorship.

But these were not all. In the neutrality legislation the executive branch once more reached out for absolute power. The administration program, as embodied in the bill passed yesterday by the House, is to vest in the President the widest possible discretionary authority in the matter of neutrality, wartime trade, embargoes, foreign credits, and noncombatant shipping. And this after the congressional power over tariffs and trade agreements had been renewed, after the Presidential power to issue paper money had been extended, and after numerous additional extensions of "emergency" powers had been placed in the legislative hoppers of the House and Senate.

Such a consistent effort for concentration of power is most significant.

What does it mean to the American system of constitutional government when we find, as in the present session of Congress, that every piece of legislation submitted calls for only one essential thing—more and more Presidential power?

That is the great issue before America today.

THE DANGER OF GOOD INTENTIONS

To say that all of these attempts at centralizing power in the President are steps on the road to dictatorship is not to challenge the good intentions of those who advocate them. The lesson of history is clear that every autocrat began with the purest intentions of exercising his increasing powers wisely and benevolently.

Indeed, we have a classic statement of this intention from Daniel Webster. Nearly a century ago he declared:

> It is hardly too strong to say that the Constitution was made to guard the people against the dangers of good intentions, real or intended. * * * There are men in all ages who mean to

govern well; but they mean to govern; they promise to be kind masters, but they mean to be masters. They think they need but little restraint upon themselves. Their notion of the public interest is apt to be quite closely connected with their own exercise of authority. They may not, indeed, always understand their own motives. The love of power may sink too deep in their own hearts even for their own security and may pass with themselves for mere patriotism and benevolence.

Our own history offers eloquent evidence that the American people will not submit knowingly to such unwholesome concentration of powers. A most impressive example of our inherent and instinctive resistance of such tendencies was given as recently as 1918 when President Wilson appealed to the country to return a Congress pledged in advance to support of his policies in war and peace.

This appeal for a blank check aroused the Nation. The results we know—a Republican majority in Congress.

PRESIDENT HAS DISAGREED IN PAST WITH HIS OWN PROPOSAL

We have it in Mr. Roosevelt's own words that the proposal he now submits touching the Supreme Court is not a solution for the situation he seeks to change.

In his message of February 5, it will be recalled, the President recommended enlargement of the Court on the single ground that its docket was congested and it could not keep abreast of its work. It has been demonstrated beyond all question that the Court has been fully abreast of its docket for more than 5 years.

But now there comes to light the President's own declaration against more judges as a solution of court congestion, even where congestion actually exists.

In his book Looking Forward, published a month after his inauguration in 1933, Mr. Roosevelt dealt at some length with the question of congested court dockets. Here are his words, from page 195 of that book:

The only way to attack the problem is by rigorous application of judicial efficiency. In the face of this congestion, the remedy commonly proposed is to add new judges or new courts; but it will readily be seen that if the problem is what I have stated it to be, such a so-called remedy merely aggravates the complaint.

Thus the Nation now is confronted with the bewildering spectacle of the President demanding vigorously a solution which he himself has declared emphatically "merely aggravates the complaint."

Moreover, as applied to the Supreme Court, this Presidential solution now is urged against a problem of congestion which in fact does not exist.

THE DUTY OF THE COURTS UNDER THE CONSTITUTION

Mr. Speaker, the people at all times have complete control over their Government. Under the Constitution they have set up a Federal Government with certain designated powers, and in the tenth amendment they have specifically provided as follows:

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.

If the people are at any time of the opinion that the Federal powers should be enlarged or contracted, provision is made in article V of the Constitution for amendments thereto. In the century and a half that has passed since the Constitution was adopted, 21 amendments have been added.

Article VI of the Constitution provides that the Constitution, and the laws of the United States made in pursuance thereof, shall be the supreme law of the land.

Article III of the Constitution provides that the judicial power of the United States shall be vested in one Supreme Court and such inferior courts as the Congress may from time to time ordain and establish. It is the obvious duty of the courts to expound the law. Since only statutes "made in pursuance of" the Constitution, together with the Constitution itself, are "the supreme law of the land", the courts must, of necessity, decide whether the statutes enacted by Congress are consistent with the Constitution. Without such authority in the courts, the Constitution would be absolutely meaningless. As the Supreme Court has many times pointed out, it is not the function of the judges to inquire into the desirability of legislation. The following passage from the Supreme Court's decision in the Triple A case sets forth in clear and concise terms the true function of the judiciary. I quote:

It is sometimes said that the Court assumes a power to overrule or control the action of the people's representatives. This is a misconception. The Constitution is the supreme law of the land ordained and established by the people. All legislation must conform to the principles it lays down. When an act of Congress is appropriately challenged in the courts as not conforming to the constitutional mandate the judicial branch of the Government has only one duty—to lay the article of the Constitution which is invoked beside the statute which is challenged and to decide whether the latter squares with the former. All the Court does, or can do, is to announce its considered judgment upon the question. The only power it has, if such it may be called, is the power of judgment. This Court neither approves nor condemns any legislative policy. Its delicate and difficult office is to ascertain and declare whether the legislation is in accordance with, or in contravention of, the provisions of the Constitution and, having done that, its duty ends.

The question is not what power the Federal Government ought to have but what powers in fact have been given by the people.

The founding fathers, in establishing our Government, set up three coordinate branches—the legislative, executive, and judicial. It was the intention that the legislative branch should make the law, the executive branch enforce it, and the judicial branch expound it. Each was to be independent of the other. This division of power constitutes what is known as the American system of checks and balances.

PRESIDENT'S PROPOSAL PRESENTS GRAVE CONSTITUTIONAL QUESTION

From the beginning of our history until now, this system has been steadfastly maintained. At the present time, however, the people of this country are face to face with a grave constitutional crisis. The question is whether the Executive, who has already exercised a dominating influence over the legislative branch of the Government, shall be permitted to gain actual control over the judicial branch by the appointment of six new Justices to the Supreme Court who will decide cases as the President wants them decided.

The storm of protest which has arisen all over the country, from people of all political parties, from all walks of life, from so-called liberals and conservatives, is evidence that the people are not seduced by the President's sophistry. His insincerity of purpose is attested by the fact that he has now shifted his ground, and instead of continuing to argue the alleged congestion in the Supreme Court he has come into the open and virtually admitted that his real object is to secure a Supreme Court which will throw the Constitution to the winds and uphold whatever legislation he may propose.

COURTS GIVE PRESUMPTION OF VALIDITY TO ACTS OF CONGRESS

In his so-called fireside chat of March 9 the President asserted that the Supreme Court should resolve all reasonable doubt in favor of the constitutionality of a statute passed by Congress. That is exactly what the Court does. Allow me to cite the following statement in the Supreme Court's decision in the case of *Adkins* v. *Children's Hospital* (261 U. S. 525, 544):

The judicial duty of passing upon the constitutionality of an act of Congress is one of great gravity and delicacy. The statute here in question has successfully borne the scrutiny of the legislative branch of the Government, which, by enacting it, has affirmed its validity; and that determination must be given great weight. This Court, by an unbroken line of decisions from Chief Justice Marshall to the present day, has steadily adhered to the rule that every possible presumption is in favor of the validity of an act of Congress until overcome beyond rational doubt. But if by clear and indubitable demonstration a statute be opposed to the Constitution we have no choice but to say so.

Thus we see that the Supreme Court, from its earliest history to the present time, has followed the rule that the President favors. However, I call attention to the fact that the President is not satisfied with merely resolving all reasonable doubts in favor of the validity of a statute. It was he who sent a letter to the Ways and Means Committee not long ago asking that we not allow any doubts as to constitutionality, "however reasonable", to block the enactment of the original Guffey coal bill, which the Court subsequently invalidated.

COURTS DO NOT PRESUME TO PASS ON LEGISLATIVE POLICY

The President charged in his fireside chat that the Supreme Court had been assuming the power to pass on the "wisdom" of acts of Congress, and that it had acted as a policy-making body rather than as a judicial body. Here again the President is misrepresenting the Court's position. Time and time again the Court has emphasized that it was not concerned with the wisdom of legislation, but only with the question of whether it is authorized by the Constitution. In the celebrated N. R. A. case, Mr. Chief Justice Hughes, speaking for a unanimous Court, said:

It is not the province of the Court to consider the economic advantages or disadvantages of such a centralized system. It is sufficient to say that the Federal Constitution does not provide for it.

This statement coincides with the quotation from the Court's decision in the A. A. A. case, to which I previously referred, in which the Court said that it "neither approves nor condemns any legislative policy."

PRESIDENT WANTS COURTS TO REWRITE CONSTITUTION BY JUDICIAL INTERPRETATION

The President falsely charges the Supreme Court with having assumed the functions of a superlegislative body. As a matter of fact, it is due to the circumstance that the Court has not assumed the power to pass on the wisdom of legislation that the present controversy has arisen. That is exactly what the President wants the Court to do. He complains because the Court does not forget about the limited powers granted to the Federal Government under the Constitution and uphold legislation because the Federal Government "ought to have" the power. But as the Court said in the Triple A case:

The question is not what power the Federal Government ought to have but what powers in fact have been given by the people.

The President says that he wants a Supreme Court that will enforce the Constitution "as written." That is not what he wants at all. He wants a Supreme Court that will rewrite the Constitution by judicial interpretation and thus usurp the power which the people have reserved to themselves to change the Constitution as and when they see fit. He wants to rewrite the Constitution without resorting to the constitutional method of amendment and without giving the people the opportunity to pass upon the wisdom of the changes he has in mind.

PRESIDENT HAS TURNED HIS BACK ON DEMOCRATIC PLATFORM

The Democratic platform of 1936, the terms of which the President himself is said to have dictated, in referring to the pressing national problems stated:

If these problems cannot be effectively solved by legislation within the Constitution, we shall seek such clarifying amendment as will assure to the legislatures of the several States and to the Congress of the United States, each within its proper jurisdiction, the power to enact those laws which the State and Federal legislatures, within their respective spheres, shall find necessary, in order adequately to regulate commerce, protect public health and safety, and safeguard economic security. Thus we propose to maintain the letter and spirit of the Constitution.

In advocating the packing of the Supreme Court by the appointment of six more Justices, the President turns his back squarely on the platform of his party. He seeks to enlarge the Federal power not through the constitutional method of amendment, in which the people would be called upon to say whether or not they wished to grant such extension of power, but through the indirect method of loose judicial interpretation by his own selected judges.

The President's "back door" method has been justly condemned by the people, including many thousands of those who voted for him in the 1936 election. This is no partisan issue. It transcends in importance all party considerations. Constitutional government is at stake, and all those who love their country and its institutions are waging a common fight against a proposal which would undermine the basic principles upon which this Nation was founded.

Having cited the Democratic platform, I wish to quote from the Republican platform in regard to the constitutional issue. Here is what the Republican platform of 1936 states:

We pledge ourselves to maintain the American system of constitutional and local self-government, and to resist all attempts to impair the authority of the Supreme Court of the United States, the final protector of the rights of our citizens against the arbitrary encroachments of the legislative and executive branches of government. There can be no individual liberty without an independent judiciary.

Thus it appears that the platforms of both major parties stand squarely for preserving our constitutional system. This definitely takes the burning question of the hour completely out of the realm of politics. I reiterate that this is not a partisan question, irrespective of what the party platforms provide.

What I have to say I do not say in a partisan spirit. If this proposal had been made by a President of my own political faith, I would still be one of the first to voice my opposition. I would emulate the example of those noble Democrats who in the present controversy have put country above party in opposing their President.

PRESIDENT WASHINGTON'S WARNING

The warning of President Washington in his Farewell Address has been frequently quoted, but in my opinion it cannot be too often referred to. The Father of our Country said:

If in the opinion of the people the distribution or modification of the constitutional power be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed.

The President's proposal to "pack" the Supreme Court with judges known to be in accord with his views would completely destroy the independence of the judiciary and the confidence of the people in its integrity. It would henceforth be a political court, and the precedent which would be set in the present instance by the addition of six judges might be duplicated from time to time in the future by subsequent Presidents who might wish to secure decisions in conformity with their individual views.

PRESIDENT'S PROPOSAL ESTABLISHES BAD PRECEDENT

The present occupant of the White House wishes to "pack" the Court for the purpose of securing a loose interpretation of the commerce clause and the reading into the Constitution of what is not there—a supposed grant of power to legislate "for the general welfare." However, some future President may want to "pack" the Court for the purpose of securing a more narrow interpretation of the so-called Bill of Rights, otherwise known as the first ten amendments. Or he may want to secure more drastic enforcement of the fourteenth amendment, with which our friends in the South are so familiar. As a matter of fact, it is conceivable that the very judges whom the present occupant of the White House would appoint to secure a more loose interpretation of the commerce clause might favor more strict construction of some of the other provisions of the Constitution.

NO POWER UNDER CONSTITUTION TO LEGISLATE "FOR GENERAL WELFARE"

I should like to refer briefly to the President's suggestion in his fireside chat that the framers of the Constitution gave to the Congress—I quote:

The ample, broad powers "to levy taxes * * * and provide for the common defense and general welfare of the United States."

Mr. Speaker, that is a very ingenious phrasing of the taxing clause in the Constitution, but it is not what the taxing clause says. The President left out a lot of words in between the first and last part of the clause. The Constitution does not give the Congress the power to legislate "for the general welfare." Here is what it provides:

The Congress shall have power to lay and collect taxes, duties, imports, and excises, to pay the debts, and provide for the common defense and general welfare of the United States.

The plain import of this provision is that Congress shall have the power to levy taxes for the purpose of providing for the common defense and general welfare. Every schoolboy knows this. The fathers who wrote the Constitution knew this. And the Supreme Court has many times held this to be the case. This, for example, was the holding in the Triple A case, in which the Court said:

The clause thought to authorize the legislation—the first—confers upon the Congress power "to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States * * *." It is not contended that this provision grants power to regulate agricultural production upon the theory that such legislation would promote the general welfare. The Government concedes that the phrase "to provide for the general welfare" qualifies the power to "lay and collect taxes." The view that the clause grants power to provide for the general welfare, independently of the taxing power, has never been authoritatively accepted. Mr. Justice Story points out that if it were adopted "it is obvious that under color of the generality of the words, to 'provide for the common defense and general welfare', the Government of the United States is, in reality, a government of general and unlimited powers, notwithstanding the subsequent enumeration of specific powers." The true construction undoubtedly is that the only thing granted is the power to tax for the purpose of providing funds for payment of the Nation's debts and making provision for the general welfare.

PRESIDENT HIMSELF HAS TIPPED BALANCE OF POWERS

If I may refer again to the President's fireside chat, he stated that, in his opinion, the balance of powers between the three great branches of the Government had been "tipped out of balance" by the courts, and said that it was his purpose "to restore that balance."

As a matter of fact, the disturbance of the balance is of his own making. Heretofore the legislative, executive, and judicial branches have preserved their independence, each confining themselves to their own spheres. The President has already tipped the balance by asserting control over the Congress. Now he wishes to secure control of the third branch and tip the scales all the way.

In his speech of March 4th, at the victory dinner in Washington, the President used a metaphor which, while not exactly apropos, at least illustrates his frame of mind. He stated that "there is no definite assurance that the three-horse team of the American system of Government will pull together", and added:

If three well-matched horses are put to the task of plowing up a field where the going is heavy and the team of three pull as one the field will be plowed. If one horse lies down in the traces or plunges off in another direction, the field will not be plowed.

The analogy is not a good one because a three-horse team would of necessity have a driver. What the President probably had in mind was that if he, as one member of the three-horse team, could sit in the driver's seat, everything would be fine.

The President, of course, meant to infer that it was the horse representing the Supreme Court that had broken the traces. He knows very well that it is the horse representing the Executive that has done this. Instead of plowing the field in regular furrows, he has headed off in every direction, run around in circles, and tried all sorts of unorthodox methods.

YAWNING PRECIPICE OF DICTATORSHIP JUST AHEAD

My friend from North Carolina, the Chairman of the Ways and Means Committee [Mr. DOUGHTON], is one of those who, under the President's gratuitous dictum, is to be regarded as unfit for further service under the three score and ten age limit. Of course, those of us who know him realize that there is no more active man in this body than the gentleman from North Carolina and that his faculties for continued distinguished service in this body are in no way impaired. On May 17, 1929, the gentleman from North Carolina uttered some words on this floor which I would like to repeat in connection with the President's Supreme Court proposal. He said:

It seems that the more power men are given the more they are obsessed with a morbid gluttony for increased power. My friends, it is time to pause and call a halt, to stop, think, look, and listen before we go over the yawning precipice just ahead of us.

Mr. Speaker, that statement is particularly apropos of the President's proposal to give him, in effect, six votes on the Supreme Court. When the President combines his power as Chief Executive with working control of the Congress and complete domination over the judiciary, he becomes in fact a one-man government. Whether we like the word or not, he would have all the powers possessed by a dictator. And even though he might be a "benign" dictator, he would be a dictator in effect none the less.

In view of the foregoing quotation from the gentleman from North Carolina, it will be interesting to note how he votes if and when the proposed measure comes before the House.

In his speech of March 4, 1937, the President said:

Democracy in many lands has failed for the time being to meet human needs. People have become so fed up with futile debate and party bickerings over methods that they have been willing to surrender democratic processes and principles in order to get things done.

Mr. Speaker, that is precisely what the President is asking be done in his proposal to pack the Supreme Court. He is unwilling to make use of the democratic process of constitutional amendment. He wants to take a short-cut via the "usurpation" route. He ignores his own warning that "the ultimate failures of dictatorships cost humanity far more than any temporary failures of democracy."

INVALIDATED LEGISLATION NOT CAREFULLY CONSIDERED

Again in his fireside chat of March 9, the President reiterated that "we will not allow ourselves to run around in new circles of futile discussion and debate, always postponing the day of decision." Of course the whole trouble with the President's program, and one of the reasons for its having received so many adverse decisions at the hands of the courts, has been that virtually every piece of legislation he suggested was rushed through Congress with only cursory examination and without adequate debate. If there had been more discussion and debate, perhaps more of the legislation would have been upheld. When legislation is passed "without regard to doubts as to constitutionality, however reasonable", it is no fault of the Court that the legislation must be held unconstitutional. When legislation is passed without careful consideration, Congress should not be surprised if, in its actual administration, it is found to achieve unconstitutional ends.

WHAT IS THE EMERGENCY OF WHICH THE PRESIDENT SPEAKS?

The President has said that "time is of the essence" in the consideration of his proposal. He has previously gone up and down the country telling the people that happy days are here again; that the emergency is over; that prosperity has returned. Now he pictures a great emergency facing the country, which cannot await the delay incident to the adoption of a constitutional amendment. Of course, the only reason "time is of the essence" is that the President does not want the people to have sufficient time to digest his proposal. He knows that the longer the people examine it, the more convinced they will be that it is dangerous and undesirable. In the time that has already elapsed, the specious arguments which he advanced in support of his proposal have been broken down. The opposition to his cunning and clever scheme is growing like a prairie fire.

In his victory dinner address, the President asserted that he had "just begun to fight." But who, I would ask, is he fighting? Is there a civil war going on in this country? If so, what are we fighting about? Perhaps some of us would like to get into it.

The only fight I know of right now is the fight between the President and his supporters, on the one hand, who would tear down the Constitution, and those of us who are fighting to maintain our constitutional system of government.

If the President refers to any other kind of a fight, then, like Don Quixote, he is just fighting windmills. If he refers to a fight for humanitarian legislation, for social progress, and so on, then we are all on one side. The only difference may be in the method by which those ends are to be achieved. The President wants to achieve them by destroying the Constitution. Those who oppose him want to achieve them in an orderly, constitutional manner.

EXAMPLE OF PRESIDENT'S IMPULSIVENESS

Perhaps all arguments pro and con on the subject of increasing the membership of the Supreme Court have been made. The only thing new will be the manner in which various persons will express their views. I want, however, to contribute a very illuminating incident which I am quite

certain has not appeared in the discussion which has taken place since the 5th of February.

The following extract from an editorial which recently appeared in a New England paper describes an incident which occurred on September 7, 1932:

In his first campaign for the Presidency, Mr. Roosevelt, escorted by State troopers on motorcycles, rushed up to Bennington College, arrived by mistake at a back entrance, barred by a padlocked gate, halted briefly while one of the troopers drew a revolver and shot away the lock, and swept smilingly down upon his startled hosts from the rear. He could have driven around to the regular approach provided by the owners of the premises, or sent word that he was at the rear entrance and asked the owners to unlock the gate, but either of these alternatives would have taken a little time. To Mr. Roosevelt the important consideration at the moment was plainly the simple fact that this gate blocked the road on which he was traveling, and the quickest and simplest way to overcome the difficulty and proceed with his own schedule was to blow the gate out of the way. The circumstance that in sanctioning this procedure he was destroying somebody's property and breaking his way into somebody's premises through the use of force employed by a police officer, whose duty it would have been to arrest anyone else doing the same thing, obviously did not cross Mr. Roosevelt's mind * * *.

As at Bennington, the important consideration at the moment is his own desire to go ahead in his own way—the simple solution, to shoot away the lock * * *.

What better illustration do we want than this of the impulsiveness of his character? In his address at the victory dinner he emphasized the word "now" as the time when he wants to change the personnel of the Supreme Court, and advanced several reasons why it must be done "now", none of which was of paramount importance or interest any more than it was necessary that he enter the rear college gate "now" rather than going to the main entrance, as he should have done.

To startle the country on the 5th of February with such an announcement as was contained in his message to Congress, and within a month's time to begin talking about "now" on the most important subject that has been presented since the World War, is more than the American people ought to be called upon to stand.

PRESIDENT HAS PERSONAL GRUDGE AGAINST SUPREME COURT

Ever since the Supreme Court, by a unanimous vote, invalidated the N. R. A. the President has held a personal grudge against the Court. It will be recalled that he contemptuously referred to that decision as taking us back to the "horse and buggy" days. History will record, however, that it was this decision which started the country back to prosperity. Nevertheless, as succeeding decisions of the Court have upset the President's program, enacted with the knowledge that such parts as were invalidated were probably unconstitutional, the President has heaped abuse upon the Supreme Court and sought to discredit it in the eyes of the people.

Another decision of the Court which caused the President to take a hostile attitude toward the Court was the case in which the Court denied the right of the President to remove Mr. Humphrey as a member of the Federal Trade Commission. The only basis for the President's dismissal of Mr. Humphrey was that their minds did not "go along together" on Federal Trade Commission policies. Now, the Federal Trade Commission was established by Congress as an independent, quasi-legislative arm of the Government. In this case the Court properly held that the President could not dismiss a Commissioner except for cause. This was an instance in which the President sought to pack the Federal Trade Commission by the appointment of a member whose views coincided with his own. When the Court denied him this power, which the Congress never intended he should have, he became incensed, and from that time on the courts have been the object of his wrath. In his anger he appears to have lost all sense of restraint.

PRESIDENT PEEVED BECAUSE HE HAS HAD NO OPPORTUNITY TO MAKE APPOINTMENTS TO COURT

In his fireside chat he complained that he had not had an opportunity to name a single member to the Court, whereas his immediate predecessors all had such opportunity, varying from five Justices in the case of Taft to one in the case of Coolidge. He appeared to be somewhat peeved because former Presidents had had opportunities along this line which had been denied him simply because no member of the Court had conveniently died or resigned.

The particular objects of the President's ire are the four conservative Justices. These are Mr. Justice Van Devanter, who is 77; Mr. Justice McReynolds, who is 75; Mr. Justice Sutherland, who is 74; and Mr. Justice Butler, who is 71. But the President not only contemplates appointing one additional Justice for each of these men, but also for the other two members of the Court who are over 70—Mr. Chief Justice Hughes, who is 74, and Mr. Justice Brandeis, who is 80.

A certain amount of embarrassment will exist in both branches of Congress if members are forced to vote for the President's proposal, in that they will, by their votes, practically admit that they should be retired by their constituents if 70 is to be the age limit for public service.

I for one do not agree to vote on that basis.

PACKING OF COURT WOULD NOT BRING ABOUT REVERSAL OF N. R. A. DECISION

Although the President was considerably piqued by the Supreme Court's decision in the N. R. A. case, it is to be noted that even the so-called liberal Justices joined in holding the act unconstitutional. Thus it would not avail the President anything, so far as the N. R. A. is concerned, to pack the Court with six judges who could be depended upon to uphold its validity. These six "yes men" would still be out-voted by the nine incumbent members whom the President is unable to control. The present members of the Court, while they may not always be unanimous in their opinions, at least preserve and maintain the traditional independence of the judiciary which the founding fathers sought to make possible.

PRESIDENT SILENT ON COURT DURING ELECTION CAMPAIGN

Mr. Speaker, I call attention to the fact that the President withheld his proposal from the people until he had been elected for another 4-year term. He purposely made no mention of the proposal during the campaign because he was afraid of the consequences. He did not confide in the people what he had in mind. Instead, he pursued the course of the artful dodger, avoiding any clear-cut definition of purpose, well knowing what he proposed doing once the people has again reposed their trust in him.

It is true that there is nothing unconstitutional about increasing the size of the court. But the motive behind the President's scheme, that is, to secure a court which is subservient to the President's will, violates and profanes the fundamental principles upon which our whole governmental system is based. The separation of the powers of Government among the three independent yet coordinate branches—the legislative, executive, and judiciary—is the very keystone of the American system. The people, in whom all power lies, have never changed that system. I do not believe they will permit the President to change that system by usurpation.

LORD BRYCE FORETOLD POSSIBILITY OF PRESIDENT'S PROPOSAL 50 YEARS AGO

Mr. Speaker, one of the most noted writers on our American democracy was a noted British economist, Lord Bryce. Fifty years ago, in his book entitled "The American Commonwealth", he pointed out that under our system of Government, the very constitutional crisis which has arisen today by reason of the President's proposal might some day occur. Of course, the people at that time did not take his suggestion very seriously, and I might add that up until the 5th day of February 1937, no one took it very seriously. Here is what Mr. Bryce said:

Suppose a Congress and the President bent on doing something which the Supreme Court deems contrary to the Constitution. They pass a statute. A case arises under it. The Court on the hearing of the case unanimously declares the statute to be null, as beyond the powers of Congress.

Congress forthwith passes and the President signs another statute more than doubling the number of Justices. The President appoints to the new justiceships men who are pledged to hold the former statute constitutional. The Senate confirms his appointments. Another case raising the validity of the disputed statute is brought up to the Court. The new Justices out-vote the old ones, the statute is held valid; the security provided for the protection of the Constitution is gone like a morning mist.

Then Mr. Bryce goes on to say:

> What prevents such assaults on the fundamental law, assaults which, however immoral in substance, would be perfectly legal in form?
>
> Not the mechanism of government, for all its checks have been evaded. Not the conscience of the legislature and the President for heated combatants seldom shrink from justifying the means by the end. Nothing but the fear of the people, whose broad good sense and attachment to the great principles of the Constitution may generally be relied on to condemn such a perversion of its forms.

Certainly that great British writer and economist must have sensed a situation such as has arisen here now.

PRESIDENT HAS NO MANDATE FROM PEOPLE TO PACK COURT

Mr. Speaker, I think in this instance the President of the United States has overplayed his hand. He has falsely assumed that he has a mandate from the people to do as he pleases, but the people have never given him such a mandate. This matter was not an issue in the last election. In fact, the people were given to understand that such a proposal as packing the Supreme Court was one of the farthest things from the President's mind. They are resentful of the false pretense under which the President campaigned for reelection. Those who trustingly said, "It can not happen here", have found to their dismay that "it has happened here."

HISTORY OF PREVIOUS CHANGES IN COURT OFFERS NO PRECEDENTS FOR PRESENT PROPOSAL

In his message to Congress of February 5 the President attempted to justify his proposal for increasing the size of the Supreme Court by referring to the fact that the number of judges has been altered from time to time since 1789. He points out that it was originally composed of 6 members; that it was reduced to 5 in 1801; increased to 7 in 1807; increased to 9 in 1837; increased to 10 in 1863; reduced to 7 in 1866; and increased to 9, the present number, in 1869.

It has been charged that previous Presidents have tampered with the Court with a view to securing favorable decisions, but an examination of the history of the Court since 1789 shows that not one of these changes was made for the deliberate purpose of influencing the nature of the decisions to be rendered. The reduction of the Court from six to five members in 1801 never took place because the law was repealed before one of the sitting members died or resigned; nor was the Court reduced to seven members between 1866 and 1869, since only one of the sitting members died or resigned during that time, after which the size of the Court was again fixed at nine.

Histories of the Supreme Court, including those by two New Dealers—Felix Frankfurter and James M. Landis—clearly indicate that every increase made in the size of the Supreme Court from 1807 down to and including the last change in 1869, came about as a result of a distinct need for more circuit courts to take care of the increased litigation arising out of our growth as a Nation. No such need is at present shown, not even for the additional of one Justice, much less six.

Reference has been made to the change in the Court under President Grant's administration. It has been said that he "packed" the Court to secure a favorable decision in the so-called *Legal Tender cases*. The fact is that Congress had previously provided for the establishment of nine circuits and a Supreme Court of nine Justices, which meant the additional of one member, since there were eight members then sitting on the Court pending its reduction to seven by death or resignation. The change was to be effective in December 1869. At that time the Court was deliberating on the *Legal Tender cases*, and it rendered an adverse decision by a vote of 5 to 4, Justice Grier having broken a previous tie by shifting his position. On December 15, 1869, Judge Grier submitted his resignation to take effect February 1, 1870. This made two vacancies on the Court. On February 7, 1870, as the Supreme Court was announcing its adverse decision in the *Legal Tender cases*, President Grant sent to the Senate two nominations for the existing vacancies. It was this coincidence which gave rise to the charge that Grant was packing the Court, since on a reargument of the *Legal Tender cases* after the appointment of the new members the Court reversed its previous decision. As a matter of fact, however, the legislation fixing the size of the Court at nine was passed almost a year before the first *Legal Tender* decision was announced, and no mention was made in the debates of any attempt to pack the Court, and in truth none could have been made.

CONSTITUTION DOES NOT FIX SIZE OF SUPREME COURT

The present controversy over the Supreme Court arises because the Constitution makes no provision fixing its size. It simply says that there shall be "one Supreme Court." If the Constitution had provided for a fixed number of Justices, we would never have had in the past, and we would not have now, any controversy over "packing" the Court. No President and no Congress should ever have the power to create additional judgeships merely for the purpose of influencing the Supreme Court's decisions.

AMENDMENT FIXING SIZE WOULD AVOID POSSIBILITY OF PACKING COURT

In order that there may be an end to this controversy, and in order that the integrity of the Court may be preserved, I have introduced a joint resolution proposing an amendment to the Constitution, as follows:

> The Supreme Court of the United States shall consist of nine Justices, of whom one shall be designated by the President as Chief Justice.

In a recent syndicated article Mr. David Lawrence stated that as a result of an investigation he had made, he had found that in 38 of our 48 States the size of the supreme judicial body is fixed in the State constitution, with the power left in the hands of the people to change the number if and when they see fit. This is as it should be, and I personally think it would be a fine thing if a similar provision were added to the Federal Constitution.

I have preserved the present number of nine justices in my proposed amendment because that number has been found to be sufficient and to work well. A larger number would tend to become unwieldy, and a smaller number would place too much responsibility on the individual members.

In Mr. Lawrence's article he states that he telegraphed the chief justices of the various State supreme courts to obtain a symposium of views on the question of definitely fixing the size of the Court, and I would like to quote the replies of two of the judges who replied. First, I quote from Chief Justice Charles A. Goss, of the Nebraska Supreme Court:

> Inasmuch as the Federal Constitution does not fix the number of Justices of the Supreme Court of the United States, and does not specifically grant the Congress the right to determine the number, I would favor an amendment to the Constitution fixing the number at nine.
>
> First, because that number has been found to be adequate; and, second, because fixed determination of the number would largely remove from controversy an element that makes for political and social unrest.

I now quote from Chief Justice Folland, of the Utah Supreme Court:

> The Supreme Court of the United States should be an entirely independent tribunal, not subject to influence or control by the Executive or the Congress. To attain this end, it might be better if the number of Justices were fixed by constitutional amendment rather than leaving the power with the Congress, to be used by it in such manner or at such time as to actually influence the Court decisions, or, what is as bad, to give the impression that such is the case.

Mr. Speaker, I urge the adoption of my proposed amendment as the only method by which such controversies as the present one may be averted in the future. It must be adopted if the integrity of the Supreme Court is to be preserved.

DELAYED CONSIDERATION WILL AID DEFEAT OF PRESIDENT'S PROPOSAL

It is quite evident that wily tricks are being resorted to on the part of the administration to accomplish the President's purpose of packing the Court. I need not mention what these "tricks" are, as I am sure the Members on the other side of the aisle are familiar with them. All praise is due those who have courageously withstood the pressure which has been exerted. They are statesmen in the true sense of the word. They have put country above party, as every Member who is elected to Congress should.

Mr. Speaker, the press informs us that a very ardent supporter of the administration feels that the President's wishes can be realized if the question is not voted upon in the other branch until July. If this House awaits action in the other branch, it will mean a continuous session until next January.

But that is none too long, Mr. Speaker, for the people of this country to thoroughly digest and understand the implications of the President's proposal and form a considered judgment upon such a momentous question. Personally, I feel that the longer the vote is delayed, the surer the people will record their opposition to the proposal.

Speaking for myself, as one Member of the House, the summer attractiveness of the district I have the honor to represent, and the natural desire to be at home, will willingly be sacrificed if I can aid in bringing about the defeat of the President's plan. I know that in so doing, I will not only be properly representing the people of my district and my State, but will be contributing to the future welfare and stability of our beloved country. [Applause.]

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address delivered by Maj. Gen. Edward M. Markham, Chief of Engineers, on March 12, 1937, on the subject of flood control.

The SPEAKER pro tempore (Mr. PARSONS). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech that I made last night at the Town Hall in New York.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

THE COMPANY STORE

The SPEAKER pro tempore. Under the special order of the House the Chair recognizes the gentleman from Michigan [Mr. LUECKE] for 20 minutes.

Mr. LUECKE of Michigan. Mr. Speaker, this afternoon I wish to digress from the normal topics of the Supreme Court, neutrality, and such weighty subjects, and talk about one which is a little closer home and perhaps not quite so heavy in thought. I consider it, nevertheless, a very important subject, a very important thing to talk about, because I believe it to be a weakening in our economic set-up.

Mr. Speaker, not so long ago in a Washington newspaper I came across this headline, "Workers Never See Cash For Years On End in Some 'Company Towns.'" That sort of aroused my curiosity and I made some investigations of my own, and it is on that subject, the "Company Store", which I wish to speak. But before I get started on this interesting subject I want to particularly give credit to Mr. Thomas L. Stokes, of the Washington Daily News, for the information which I obtained from that article. I am sure that Mr. Stokes has rendered the workers of these "company towns" a great service by disclosing some of the conditions under which they work.

At the outset I wish to say that this is not a condition which can be applied to any particular section of the country. To the contrary, it is very much a national affair. What brief material I have had the opportunity to enlighten myself on regarding this subject was taken from an investigation which covered the following States: Alabama, Arkansas, California, Florida, Idaho, Kentucky, Louisiana, Michigan, Mississippi, Oregon, South and North Carolina, Tennessee, Texas, Washington, West Virginia, Wisconsin, Colorado, Illinois, New Mexico, Ohio, Pennsylvania, Tennessee, Utah, Virginia, Wyoming, and Georgia; in all, 27 States.

I wish to state further that this is not only a problem which is American. Company stores are found in every nation, and in England are known as "tommy shops." The American worker seems to be a little more adept at applying or coining names, and refers to them as "gyp-me stores", "pluck-me stores", "gyp joints", and "robbersaries." Now, whether or not these names apply to the case, I am unable to say. But judging from the reports that are to be had covering the "company store", it seems the worker is partially justified.

The "company store" had its origin in the early days of industry. When new territory was opened up and industry had to go into the undeveloped sections of the Nation and establish itself it was necessary to have a commissary. In fact, it was impossible to get along without one.

Now, before saying any more on this subject, I do not want to be misunderstood. There are company stores which are giving their employees the advantage of the deal. It seems that is the way it should be. A corporation working under those conditions should not take advantage of its employees and overcharge them or issue scrip upon which they must take a discount just because their employees happen to be dependent upon them for a livelihood. But good things, like everything else, come to an end and as time went on and the company became established abuses crept in. That is human nature and that is why we have a Congress of the United States to see to it that such things are regulated and the abuses abolished.

There is another phase of this problem which I wish to mention at this time and that is the issuance of company scrip. That is one of the evils which is an offspring of the company store. In some places the company issues scrip between pay days and this scrip is discounted for cash. The discount ranges all the way from 5 to 25 percent. To be more explicit, the worker takes this scrip and cashes it at the company store at a discount. There are communities in which the independent merchants cash this scrip also and, of course, make a handsome profit.

A worker who desires credit from the company store will make an application to the bookkeeper or store manager. Such advances are usually made only against wages already earned by the employee but not due him until the next pay day. The store representative usually ascertains from the operating company the amount of unassigned wages against which credit may be issued. During periods of temporary unemployment, or in case of individual emergency such as illness in the family, credit is sometimes given against future or unearned wages. But such instances are rare.

I do recall a company in Alabama which extended credit to the extent of $100,000 to its workers and received all of it back but $66. Now, that company deserves a lot of credit, and I wish to insert it at this point. I do not wish to condemn the good which can be found in the company-store system. But the fact that abuses so overwhelm the service they render prompts me in calling the attention of Congress to the company commissary.

There are many who will say, Why do not the workers trade at an independent store if they do not like the company store? That is easier said than done. The pay of these workers, mostly unskilled, is so small that it does not provide for independence, and trading at the company store is an economic necessity with them. In many cases—in most cases, I should say—after the employee has made use of the company store he is hopelessly in debt and cannot trade anywhere else.

The news report which I had the pleasure—or displeasure—to read, said this:

> I have found hundreds of men in the saw-mill industry who haven't seen any money for years.

Reading on in another report I find this choice bit of information:

> In one plant it was claimed by the laborers that there were three workers who had not received any cash in the last 15 years.

And then it goes on to say that—

> One case was encountered in which the company had not even gone through the formalities of having a cash pay day in the last 2 years.

This sort of thing is hard to believe and yet it is a part of the records, and anyone who chooses to do so can ac-

quaint himself with the facts. It only goes to show how far abuses will go if nothing is done to put a check upon them. There have been numerous investigations and it isn't at all difficult to become informed on the subject, and why this situation was allowed to go on and on is unexplainable.

Getting back to the subject of scrip, a number of cases were found in which the operating company followed the practice of redeeming the scrip from independent stores at a discount of from 5 to 20 percent. When this practice prevails independent stores may maintain two sets of prices: One a cash price and the other a scrip price, with the former averaging from 10 to 15 percent lower than the latter. In spite of the loss involved many of the laborers prefer to discount their scrip and trade with independent stores.

I just cite that certain phase of the scrip system as very good evidence that the workers are willing to resort to anything to get away from the company store.

That the company store must be a profitable venture is made plain on the report of a certain company to a House committee in 1910. It operated company stores situated largely in the coke regions.

The dividends of this company from 1898 to 1910 amounted to $4,703,067 on a capitalization which was originally $75,000, but was increased to $500,000 without the addition of new funds. Within 12 years, therefore, these stores have paid the stockholders 62 times as much as the capitalization at the beginning of the period, without any new investment except that made out of earnings.

The company during the 52 months for which records are available paid dividends equal to slightly over 1,617 percent of its $75,000 which represents an average of 372 percent per annum. The company, with a nominal capitalization of $500,000, has paid dividends aggregating 608 percent, covering 104 months of business, which means an average per annum of 80.5 percent, or 537 percent of the original capitalization of $75,000. The accounts receivable—and this is very important in looking into this thing—amounted to only $977.98, which means that there are practically no losses through bad debts, which are a considerable item in the accounts of most retail merchants.

And while I am on the subject of losses due to bad bills, in 1931 the losses were less than 1 percent and during the depth of the depression the losses went up to 1.6 percent. The operating expenses of company stores are much less than independents—11.3 of net sales as compared with 13.1 for independent stores. From this it is plain that these stores are almost immune from losses.

There are other uses for these company-store profits. It is believed that where and when minimum wages shall be established many companies will establish company stores and in that way offset the increase in wages. In other words, the worker will foot the bill. But again that is good business. And unless something is done to prevent them nothing can stop it. Of course, that is human nature over and over again—placing the burden upon the other fellow.

Another interesting feature of the company store is a comparison of the prices with independents. It is brought out in such a comparison that the price of such foods as flour, corn meal, rice, macaroni, navy beans, sugar, coffee, rolled oats, potatoes, onions, milk, tomatoes canned, corn canned, salmon canned, peas canned, dried salt bellies, lard, fresh eggs range all the way from 10 percent to 37 percent over the independents. And with the exception of flour the purchase of these necessaries of life only amount to a very small percent of their purchases. I believe it would be fair to say that the average is about 5 percent of their purchases on these staple articles. Flour averages 28.1 percent of their purchases and the price charged is on the average 9 percent above the prices in independent stores. Potatoes come next in volume purchased and average about 8 percent of all purchases with a 10 percent higher price than independents.

These tables disclose what these workers live on, mainly flour, potatoes, corn meal, and sugar. All other purchases, such as rice, vegetables canned, bacon, ham, eggs, milk, average less than 1 percent of their purchases. Fresh meat and fruits are unheard of.

Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a table comparing prices in retail stores and company stores.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The matter referred to follows:

TABLE I.—*Comparison of retail prices on foods in company stores and independent stores in eastern district* [1]

Article	Percent of article to total food purchased [2]	Price unit	Company store		Independent store		Percentage difference above or below (—) independent store prices
			Number of quotations	Average price	Number of quotations	Average price	
Flour	28.1	24 pounds	8	$1.306	7	$1.207	8.2
Corn meal	2.8	25 pounds	8	.668	5	.660	1.2
Rice	.2	12-ounce package	9	.089	7	.079	12.6
Macaroni	.2	7-ounce package	8	.078	7	.061	27.9
Beans, navy	1.8	1 pound	7	.068	3	.064	6.2
Sugar	8.5	2 pound package	9	.154	7	.148	4.0
Coffee	1.9	1 pound	9	.210	6	.197	6.6
Rolled oats	.6	2-ounce package	9	.100	7	.097	3.0
Potatoes, white	9.6	1 pound	8	.032	6	.027	18.5
Onions	.9	do	8	.062	6	.056	10.7
Cabbage	1.0	do	8	.037	6	.029	27.6
Milk, evaporated	2.1	Large can	9	.085	7	.080	6.2
Tomatoes, canned	2.2	No. 2 can	8	.100	7	.095	5.2
Corn, canned	.8	do	9	.113	7	.100	13.0
Peas, canned	.1	do	8	.139	7	.114	21.9
Salmon, canned	.2	Standard can	7	.164	6	.146	12.3
Peaches, canned	1.1	No. 2½ can in 405 sirup	7	.228	5	.206	10.6
Round steak	1.0	1 pound	8	.280	3	.233	20.1
Smoked ham	.5	do	8	.291	3	.266	9.3
Smoked bacon	.6	do	9	.283	3	.266	6.3
Dry salt bellies	1.7	do	9	.165	6	.148	11.4
Pork sausage	.4	do	9	.195	5	.170	14.7
Lard	1.8	1-pound package	9	.121	6	.104	16.3
Eggs, fresh	1.2	1 dozen	9	.225	6	.197	14.2

[1] Aggregate of average prices multiplied by their respective weights. Company, 44.812; independents, 41.604; percentage difference in weighted aggregates, 7.7 percent. Data gathered July 16, 17, and 18, 1934.

[2] New River weights used by U. S. Coal Commission (op. cit. pt. III, pp. 1526-1527).

TABLE II.—*Comparison of retail prices on foods in company stores and independent stores in the southern district*[1]

Article	Percent of article to total food purchased[2]	Price unit	Company store		Independent store		Percentage difference above or below (−) independent store prices
			Number of quotations	Average price	Number of quotations	Average price	
Flour	28.6	24 pounds	14	$1.271	12	$1.200	5.9
Corn meal	9.6	12 pounds	14	.328	14	.318	3.1
Rice	1.0	1 pound	14	.80	13	.059	35.6
Macaroni	.2	7-ounce package	14	.066	14	.049	14.3
Rolled oats	.1	20-ounce package	14	.097	14	.088	10.2
Beans, navy	.4	1 pound	14	.066	12	.060	10 0
Sugar	8.7	do	14	.063	14	.059	6.8
Coffee	.8	do	14	.196	14	.193	1.5
Potatoes, white	3.8	do	13	.026	14	.023	13.0
Onions	.7	do	14	.053	12	.053	0
Milk, evaporated	.8	Large can	11	.076	11	.074	2.7
Tomatoes, canned	.8	No. 2 can	14	.108	14	.097	11.3
Corn, canned	.4	No. 2 can	14	.109	13	.100	10.9
Peas, canned	.2	do	14	.136	13	.129	5.4
Salmon, canned	.4	Standard can	14	.146	14	.143	2.1
Peaches, canned	.2	No. 2½ can in 40 percent sirup	12	.205	11	.192	6.8
Sliced cured ham	.7	1 pound	12	.294	5	.256	14.8
Sliced breakfast bacon	1.0	do	13	.269	8	.243	10.7
Dry salt bellies	4.4	do	14	.161	14	.149	8.0
Pork sausage	.3	do	14	.186	6	.161	15.5
Lard	5.7	1-pound package	13	.125	5	.108	15.7
Fresh eggs	.1	1 dozen	13	.224	11	.212	5.7

[1] Aggregate of average prices multiplied by their respective weights: Company, 44,215; independents, 41.740. Percentage difference in weighted aggregates, 5.9 percent Data gathered Aug. 6, 7, and 8, 1934.
[2] Alabama weights used by U. S. Coal Commission (op. cit. pt. III, pp. 1569-1570).

TABLE III.—*Comparison of retail prices of foods in company stores and independent stores in the Middle West district*[1]

Article	Percent of article to total food purchased[2]	Price unit	Company store		Independent store		Percentage difference above or below (−) independent store prices
			Number of quotations	Average price	Number of quotations	Average price	
Flour	28.1	24 pounds	6	$1.070	4	$0.970	11.0
Cornmeal	2.8	do	4	.650	3	.590	10.1
Rice	.2	1 pound	3	.075	4	.067	11.9
Macaroni	.2	7-ounce package	5	.056	4	.050	12.0
Rolled oats	.6	20-ounce package	6	.097	4	.096	1.0
Beans, navy	1.8	1 pound	5	.069	3	.058	18.9
Coffee	1.9	do	5	.230	3	.205	12.1
Potatoes, white	9.6	do	6	.027	4	.023	22.7
Onions	.9	do	6	.055	4	.035	57
Milk, evaporated	2.1	Small can	6	.043	4	.035	22.8
Tomatoes, canned	2.2	No. 2 can	6	.100	4	.100	0
Corn, canned	.8	do	6	.125	4	.100	20.0
Peas, canned	.1	do	5	.120	3	.117	11.1
Dry salt bellies	1.7	1 pound	6	.159	4	.116	37.0
Lard	1.8	1-pound package	6	.116	4	.100	16.6
Fresh eggs	1.2	1 dozen	6	.241	3	.193	24.8

[1] Aggregate of weighted average prices: Company stores, 34.755; independent stores, 31.463. Percentage difference, 10.4 percent. Data collected July 10, 11, 1934.
[2] New River weights used by U. S. Coal Commission, Op. Cit. Pt. III.

Mr. LUECKE of Michigan. The remedy for this situation lies in a complete investigation of the company store, which is plainly a racket, with a recommendation from the investigating committee for legislation to correct such practices. It is certainly a violation of civil liberties when payment for wages is not made in legal tender or par checks. As far as I am concerned I would like to see Senator LA FOLLETTE's committee act on this matter and I trust that that committee will interest itself in this problem. It would be a great benefit to the workers who must live under those conditions.

Another remedy would be legislation which would abolish the use of scrip. I believe many States have such legislation at this time. It would be of interest to know that the following countries have such legislation over a period of years: As far back as 1726 England legislated on this problem against the woolen industry. Germany, France, Spain, Belgium, Austria, Finland, Bulgaria, the Federated Malay States and the Straits Settlements, Oceania, French Guiana, New Caledonia, New Zealand, and the Australian Provinces have laws curbing the company stores. Is it possible that we are more backward than they? I don't think so. And I hope that the Committee on Labor will give us a bill against the practice. [Applause.]

Mr. Chairman, I yield back the balance of my time.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by myself today.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, following the previous orders heretofore made, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FOCHT] may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Under a previous order of the House, the gentleman from Minnesota [Mr. KNUTSON] is recognized for 15 minutes.

OLD-AGE PENSIONS

Mr. KNUTSON. Mr. Speaker, for a number of years the subject of old-age pensions has engaged the attention of thoughtful Members of Congress. They feel that with the constant change in economic conditions, which operate more and more against those past middle age, it is imperative that Congress make provision for the economic security of those no longer employable under modern standards. The first definite step in that direction was the present Social Security Act, which has now been in operation for nearly 2 years. At the time this measure was before the House I tried to point out some of its weaknesses and called particular attention to the inability of many States to carry their share of the burden. Now we can see the effect of that arrangement and we know that it is not adequate.

COUNTY PARTICIPATION UNSATISFACTORY

Time has vindicated my judgment. Our experience has proven that a pension system requiring county participation is not and cannot be successful because there is such a vast

difference in the ability of the several counties to carry their share of the burden. In Minnesota we have county participation, and it is not proving satisfactory because the pensions paid under that arrangement are, in many instances, inequitable and inadequate to provide reasonable security. Any pension plan that fails to do that cannot be said to meet requirements.

FEDERAL GOVERNMENT'S CONTRIBUTION SHOULD BE DOUBLE THAT OF STATE

Under the present Social Security Act the Federal Government matches the State contribution dollar for dollar. The law provides that the Federal Government may contribute up to $15 per month for each pensioner, providing the State meets that contribution dollar for dollar. A number of us in the House feel that the Government should contribute a greater amount than the States, also that the pension should be uniform throughout each State. This can be done only through the elimination of county participation.

PRESENT PENSION PAYMENTS INADEQUATE

Mr. Speaker, I ask unanimous consent to include in my remarks a table taken from the last annual report of the Social Security Board, which shows how the present law operates in the various States.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Speaker, we find in examining this table that the State of Mississippi pays an average old-age pension of $3.59 per month. Going on to Arkansas we find they get an average of $9 per month; in Louisiana, $9.56 per month; and so on down the line. We find that California leads all the other States with the average of $31.45. The average for the entire country is $18.50. The following table gives a true picture of how the present law operates in all the States and the inequalities that now exist:

Average payment per recipient of old-age assistance for each month of the period Feb. 1 through Oct. 31, 1936, in States with plans approved by the Social Security Board and administering Federal funds (data reported by State agencies, corrected to Nov. 25, 1936), P. A. S. table 201.8

States	Average amount paid to recipients of old-age assistance [1]								
	Third quarter 1935–36		Fourth quarter 1935–36			First quarter 1936–37			Second quarter 1936–37, October
	February	March	April	May	June	July	August	September	
Average for all States reporting [2]	$15.18	$14.74	$15.10	$15.98	$15.99	$16.58	$17.91	$18.70	$18.50
Average for 16 States making payments each month	15.18	15.06	15.62	15.75	15.59	15.97	17.72	17.95	18.45
1. Alabama	7.77	4.00	5.92	6.09	10.71	10.55	10.75	10.72	10.81
2. Arkansas	[3]	4.45	4.24	3.98	5.54	5.42	5.57	5.98	9.00
3. California	[3]	[3]	22.87	23.09	23.24	31.29	31.46	31.50	31.45
4. Colorado	[3]	[3]	17.72	17.85	19.07	20.75	27.14	27.56	27.59
5. Connecticut	[3]	[3]	9.41	21.80	22.32	24.72	25.38	24.86	26.02
6. Delaware	9.95	10.03	10.14	10.23	10.29	10.33	10.37	10.42	10.53
7. District of Columbia	[4]	[4]	33.66	26.25	25.26	[3]	25.34	25.31	25.74
8. Florida	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	10.33
9. Hawaii	[3]	[3]	[3]	[3]	[3]	[3]	[3]	11.42	11.41
10. Idaho	21.47	20.68	21.09	21.21	21.12	21.14	23.66	23.45	23.38
11. Illinois	[3]	[3]	[3]	[3]	[3]	12.83	13.13	13.66	[6] 14.17
12. Indiana	[3]	[3]	8.01	8.00	8.34	9.63	11.43	12.92	13.77
13. Iowa	14.28	14.42	14.30	14.56	14.54	14.55	14.53	14.54	14.61
14. Kentucky	[3]	[3]	[3]	[3]	[3]	[4]	7.43	9.16	9.56
15. Louisiana	[3]	[3]	[3]	[3]	[7] 10.29	[7] 10.62	[7] 11.04	[7] 12.01	[7] 12.64
16. Maine	[4]	[4]	[4]	19.77	19.75	19.87	20.03	20.09	[8]
17. Maryland	17.16	16.63	16.37	15.79	12.75	15.87	15.91	16.03	16.57
18. Massachusetts	23.85	23.54	23.68	24.36	23.49	[6] 24.27	[6] 24.60	[6] 25.01	[6] 25.85
19. Michigan	16.45	16.46	16.99	16.91	16.39	16.42	16.44	16.37	16.39
20. Minnesota	[3]	15.69	17.97	18.44	18.53	[9] 18.33	[9] 19.10	[9] 18.72	[9] 18.73
21. Mississippi	6.63	6.67	3.69	3.67	3.62	3.58	3.56	3.58	3.59
22. Missouri	8.95	8.96	8.95	8.96	8.95	9.35	9.35	9.35	11.41
23. Montana	[3]	[3]	[3]	[3]	12.30	18.15	20.04	20.58	[6] 20.45
24. Nebraska	4.54	10.98	14.35	14.86	15.34	14.68	14.69	14.93	15.61
25. New Hampshire	19.88	20.06	20.28	20.55	20.77	20.59	21.15	21.26	21.49
26. New Jersey	[3]	[3]	15.88	15.85	15.88	15.82	15.83	15.88	16.02
27. New Mexico	[3]	[3]	[4]	13.81	14.48	14.66	15.05	16.12	16.27
28. New York	[3]	[3]	[3]	21.75	20.59	20.66	20.83	20.97	21.28
29. North Dakota	[3]	[3]	[4]	15.94	15.32	15.26	15.26	15.42	15.57
30. Ohio	15.00	14.98	14.99	15.06	15.10	15.14	25.00	24.97	24.90
31. Oklahoma	[3]	[3]	6.95	7.34	7.93	7.95	5.00	[10]	8.00
32. Oregon	[3]	[3]	20.36	20.32	20.49	20.65	20.86	20.90	20.84
33. Pennsylvania	[3]	[3]	[3]	[3]	[3]	21.40	[6] 21.52	21.64	21.70
34. Rhode Island	17.68	17.67	17.60	17.52	17.47	17.38	17.14	17.13	17.22
35. South Dakota	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	21.98
36. Texas	[3]	[3]	[3]	[3]	[3]	15.82	15.70	15.67	15.58
37. Utah	[3]	18.78	18.94	18.71	18.51	18.69	18.57	22.32	22.40
38. Vermont	10.96	11.01	11.05	11.08	11.16	11.19	11.26	11.30	11.30
39. Washington	20.57	20.57	20.50	20.48	20.46	20.44	20.45	20.43	20.42
40. Wisconsin	16.96	17.14	17.39	17.64	17.74	18.10	18.19	18.29	18.50
41. Wyoming	[4]	24.28	22.30	21.99	21.01	20.96	20.81	20.64	20.69

[1] Amount paid to recipients from Federal, State, and local funds, administrative expenses excluded.
[2] Includes estimates for Louisiana and Pennsylvania.
[3] Not administering old-age assistance under an approved plan this month.
[4] Federal funds available, but no payments made for direct assistance for this month.
[5] No payments for old-age assistance for July due to change in accounting procedure.
[6] Preliminary figures subject to revision.
[7] Estimated by the State.
[8] No payments for old-age assistance for October.
[9] Preliminary figures to be revised to include retroactive payments.
[10] No payments for old-age assistance for September.

From the foregoing table it will be noted that one State—Mississippi—is paying a pension of only $3.59 per month, while Oklahoma pays $8 per month. The State of Minnesota pays an average of $18.73 per month to each eligible individual, which is a trifle over the average of $18.50 for all the States reporting.

HOUSE GROUP SEEKS LIBERALIZATION OF OLD-AGE PENSION LAW

Shortly after this Congress convened a group of Members of the House associated themselves together for the purpose of working out a plan to liberalize the present law. Numerous meetings have been held at which the subject has received every possible consideration. To begin with there was considerable difference of opinion as to just what should be done and how far we could go. Every member of this group had introduced a bill to liberalize the present law and no two measures were in agreement. It was for the purpose of adjusting these differences and bringing the membership to a common ground that I called them together. As a result of our deliberations we have agreed upon a measure which provides:

First. That the Government will advance $2 for every dollar advanced by the State.

Second. That the amount advanced by the Federal Government shall not exceed $30 per month per person.

Third. That a person, upon being placed on the pension rolls, shall discontinue gainful employment.

At the present time there are approximately 7,500,000 people in the United States who are over 65 years of age. Of that number those who are in need would be eligible for pension under our plan.

PENSIONING OF AGED WOULD CREATE JOBS FOR YOUNG

The best available authorities estimate that the number unemployed in this country at the present time is between eight and nine million. A very large percentage of these unemployed are young men and women who have never had a steady job and as a result have been compelled to look to their parents for support. This is a condition that is filled with dangerous possibilities and, if not corrected, may lead to consequences now unforeseen. The solution, as we see it, is to make it possible for the aged to retire with security thereby making a place for the young who are now unemployed and want to work.

PRESENT NUMBER OF PENSIONERS IN EACH STATE

Mr. Speaker, I ask unanimous consent to insert at this point a table that gives the available figures as to the number of pensioners in each of the several States.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Recipients of old-age assistance for each month of the period Feb. 1 through Oct. 31, 1936, in States with plans approved by the Social Security Board and administering Federal funds (data reported by State agencies, corrected to Nov. 25, 1936) P. A. S. table 201.6

States	Number of recipients of old-age assistance								
	Third quarter 1935-36		Fourth quarter 1935-36			First quarter 1936-37			Second quarter 1936-37, October
	February	March	April	May	June	July	August	September	
Total [1]	245,430	291,909	466,749	561,587	602,672	791,340	843,629	862,667	974,383
1. Alabama	6,239	4,390	5,890	5,932	8,353	9,614	10,523	10,594	10,492
2. Arkansas	[2]	11,726	12,228	12,148	12,496	13,050	13,618	13,239	14,179
3. California	[2]	[2]	38,504	40,576	42,718	44,905	47,954	52,142	55,456
4. Colorado	[2]	[2]	21,679	21,632	21,267	22,180	23,152	24,419	25,127
5. Connecticut	[2]	[2]	4,351	6,298	7,983	9,070	10,022	10,578	10,934
6. Delaware	1,609	1,666	1,844	2,113	2,398	2,652	2,768	2,899	2,982
7. District of Columbia	[2]	[2]	93	236	478	[4]	580	790	977
8. Florida	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	4,286
9. Hawaii	[2]	[2]	[2]	[2]	[2]	[2]	[2]	580	583
10. Idaho	3,845	5,339	6,447	6,805	7,088	7,242	7,398	7,652	7,777
11. Illinois	[2]	[2]	[2]	[2]	[2]	22,286	35,080	49,762	[3]66,024
12. Indiana	[2]	[2]	30,869	31,476	29,029	30,179	30,605	32,229	33,650
13. Iowa	23,964	26,024	29,637	29,645	29,584	29,751	29,435	29,122	29,530
14. Kentucky	[2]	[2]	[2]	[2]	[2]	[2]	238	1,539	3,738
15. Louisiana	[2]	[2]	[2]	[2]	[5]9,156	[5]9,412	[3]9,649	[3]9,696	[5]10,699
16. Maine	[2]	[2]	[2]	480	1,057	2,269	3,341	4,002	[7]
17. Maryland	5,868	6,707	7,517	8,369	9,811	10,141	10,557	10,918	11,224
18. Massachusetts	26,680	27,044	27,475	27,945	28,334	28,764	[3]27,482	[5]35,843	[5]41,707
19. Michigan	19,053	21,533	23,949	25,393	27,697	29,015	29,822	30,588	31,555
20. Minnesota	[2]	8,461	22,258	32,940	37,697	[3]43,852	[3]43,852	[5]49,448	[5]52,108
21. Mississippi	21,683	23,549	10,142	11,936	14,325	15,467	16,299	16,486	16,623
22. Missouri	16,057	15,938	15,745	15,525	15,449	48,817	48,663	48,158	54,595
23. Montana	[2]	[2]	[2]	[2]	1,022	1,942	3,897	6,098	[5]7,168
24. Nebraska	127	8,377	15,039	18,689	20,607	21,110	21,503	22,759	23,376
25. New Hampshire	2,209	2,277	2,437	2,561	2,667	2,798	2,888	2,992	3,056
26. New Jersey	[2]	[2]	15,307	15,592	15,904	17,216	18,504	19,634	20,432
27. New Mexico	[2]	[2]	[2]	207	758	929	1,398	2,571	2,730
28. New York	[2]	[2]	[2]	58,213	58,662	59,005	60,289	60,822	65,122
29. North Dakota	[2]	[2]	[2]	227	2,293	3,817	4,725	5,464	5,914
30. Ohio	85,128	84,927	85,957	86,448	86,035	87,927	90,984	90,868	96,538
31. Oklahoma	[2]	[2]	32,434	36,805	41,096	41,900	37,458	[6]	38,618
32. Oregon	[2]	[2]	6,703	8,323	9,459	10,330	11,021	11,406	11,641
33. Pennsylvania	[2]	[2]	[2]	[2]	[2]	44,042	[4]47,860	48,011	52,453
34. Rhode Island	1,052	1,217	1,358	1,518	1,695	1,935	2,189	2,384	2,620
35. South Dakota	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	3,283
36. Texas	[2]	[2]	[2]	[2]	[2]	59,999	75,604	81,269	86,792
37. Utah	[2]	3,544	4,005	4,202	4,313	4,298	4,262	4,560	4,909
38. Vermont	4,239	4,199	4,153	4,113	4,131	4,090	4,096	4,066	4,030
39. Washington	11,513	12,372	14,042	15,877	17,608	18,769	20,991	24,499	26,034
40. Wisconsin	16,164	21,100	24,809	27,402	29,259	30,214	31,220	32,074	32,910
41. Wyoming	[2]	1,519	1,877	1,961	2,243	2,353	2,461	2,506	2,511

[1] Includes estimates for Louisiana and Pennsylvania.
[2] Not administering old-age assistance under an approved plan this month.
[3] Federal funds available; but no payments made for direct assistance for this month.
[4] No payments for old-age assistance for July due to change in accounting procedure.
[5] Preliminary figures subject to revision.
[6] Estimated by the State.
[7] No payments for old-age assistance for October.
[8] Preliminary figures to be revised to include retroactive payments.
[9] No payments for old-age assistance for September.

DISAGREEMENT OVER METHOD OF FINANCING INCREASED PENSIONS

Mr. KNUTSON. The bill that is to be introduced will not make provision for raising the money because it was practically impossible for all our group to agree on how it should be done. Some contend for a transaction tax, others for a national lottery, while yet others advocate a material increase in income, inheritance, and gift taxes.

Mr. Speaker, I ask unanimous consent to include a letter at this point from a gentleman living on a farm near Eaton Rapids, Mich., which throws light on the subject of financing our plan.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The matter referred to is as follows:

EATON RAPIDS, MICH., *March 8, 1937.*

Hon. HAROLD KNUTSON,
House of Representatives, Washington, D. C.

DEAR SIR: Through the CONGRESSIONAL RECORD that is sent me by my Congressman I keep track of your good work, especially in pension matters, and for the farmer and laboring man, my purpose in writing you is to keep the good work up.

I know you are interested in keeping down taxes. In this connection I want to tell you how we raise money here in Michigan to pay old-age pensions. It is done through a 3-percent retail sales tax which raised $55,000,000 last year. I always opposed this tax, but now when I see how much good we do with the money I am strong for it and last fall I voted against a proposal to exempt from the tax all necessities, such as food, clothing, and medicines, and so did a big majority of the voters. We don't feel this tax any more than the gas tax. Michigan handles the old-age pension and the counties have nothing to do with it. In that way we are treated alike and that is a grand thing. Michigan pays a maximum of $30 a month for old-age pensions. We are shortly going to increase the amount and also the pensioners.

Mr. KNUTSON, why doesn't Congress put on a manufacturers' sales tax and use the money to pay old-age pensions? To my way of thinking that would raise enough money to take care of all worthy cases. I agree with you that the age limit should be lowered to 60 years. Nobody will hire people of that age. Then, too, our cripples should be taken care of regardless of age.

I hope you will overlook the length of this letter, but I am writing you in the hope it will offer some encouragement to keep up your good work for the under dog.

I have been a farmer all my life. I live on the farm my ancestors got from the Government. My people have all lived here. We are interested in the success of farming and we look upon you as one of our good friends in Congress.

More power to you.

Yours truly,

A. L. FREEMAN.

Mr. SHAFER of Michigan. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Michigan?

Mr. SHAFER of Michigan. I am rather interested, of course, in the letter the gentleman has just read because it happens to come from my district in Michigan. I happen to know Mr. Freeman, not personally, but quite well. I know he is a very substantial man and is living on the same farm that was granted to his ancestors by the Government.

Mr. KNUTSON. He so mentioned in his letter. I thank the gentleman for his contribution.

PERFECTION OF PENSION LAW WILL REQUIRE TIME

I realize that we cannot hope to get a perfect law until it has been in operation for several years. Its operation will develop weaknesses which will have to be strengthened. Then, too, I am hopeful that it will be possible to lower the age limit. That will have to be done sooner or later because of the fact that modern industry either cannot or will not use men and women after they have passed middle age.

LIBERALIZATION BILL WILL BE INTRODUCED SHORTLY

Mr. Speaker, I have been prompted to make these few remarks so that the membership of the House may know that such a measure will be introduced within the next few days. I bespeak for it earnest consideration and wholehearted support. Let us not adjourn this Congress until we have provided economic security for those who are not longer employable, and as a result are in necessitous circumstances. To my mind Congress should give early attention to this most important problem. The longer we delay the more aggravated it will become.

Mr. BIGELOW. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Ohio.

NO CHANGE IN AGE LIMIT AT PRESENT TIME

Mr. BIGELOW. I am hoping that the gentleman will inform us as to the age limit in this bill he is proposing and, may I say, if permitted to do so, that now we have arrived at a subject that is very close to my heart.

Mr. KNUTSON. May I say of the gentleman from Ohio that he has been most faithful in his attendance at these meetings to which I have referred? We make no change in age limit. That must come later.

Mr. BIGELOW. What impresses me is we talk about old-age pensions, but we have not a single old-age-pension law in any State in the Union. We have nothing but outdoor relief, nothing but charity that is administered under a misnomer, old-age pension. In our State our people have to take a pauper's oath before they get anything.

Mr. Speaker, I am hopeful that the time may come when we will recognize the right of people to have an independent income when they have retired from their labor in life and that this income may come not as a grudging gratuity but as a deferred payment of wages legitimately earned. We have in this situation the Federal Government now paying eight times as much to the people of some States as to others. There is some sentiment in favor of abolishing the State contribution altogether and making it a straight pension from the Federal Government.

As I understand the gentleman's bill, he is proposing a sort of compromise. I suppose the gentleman is proposing all he thinks this Congress will consent to and not all he wants. Personally I should like to see the age fixed at 60, but I realize that this means a 60-percent increase in expenses if the age is reduced from 65 to 60.

I should like to have the gentleman explain to us why he fixed the age at 65 in this bill, if he does, and what the limitation is on the contribution from the Federal Government under his bill. He is proposing that the Federal Government pay $2 for $1?

BILL WOULD INCREASE PENSION TO $45 PER PERSON

Mr. KNUTSON. Up to $30 a month, and assuming that each State government contributes an amount sufficient to require the Federal Government to give the maximum, that would be a pension of $45 per individual, and $90 to a married couple.

The gentleman and I have discussed this question on several occasions and I know the gentleman is in agreement with me that this is as liberal a pension law as the President would probably sign.

Mr. BIGELOW. May I say I certainly do not want to go back home and face my people without having done all that can be accomplished in this Congress to improve the situation.

[Here the gavel fell.]

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to proceed for 7 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Michigan.

Mr. WOODRUFF. May I say to the newer Members of the House that we Members who have been here for a period of years know very well the keen, active, and intelligent interest the gentleman from Minnesota [Mr. KNUTSON] has always shown in pensions not only for the needy and worthy aged citizens of this country but for the soldiers of our wars as well.

Mr. KNUTSON. I thank the gentleman.

LIBERALIZATION PLAN MUST BE REASONABLE AND INSURE PASSAGE

Mr. WOODRUFF. I believe the gentleman from Minnesota was chairman of the Pensions Committee for 10 or 12 years. During that time he certainly, on many occasions, displayed his keen interest in giving to the veterans of this country proper compensation for the injuries they received in the service of their country.

May I add just a statement in regard to the pensions for old people. Everyone who knows anything about the situation knows it is utterly foolish and unworthy of the Members of the House or the Senate to propose old-age pensions which cannot possibly be granted by the Government. To argue for something for the old people which cannot possibly be paid for is a bare-faced attempt to deceive our aged citizens. The measure of which the gentleman speaks is a compromise reached by a number of us interested in this particular subject. I believe it is fully within the power of the Government to meet the financial demands of such a bill without placing tax burdens upon our poor people impossible for them to bear. I personally am interested in the measure and trust, before the present session of Congress adjourns, we may have something of this character on the statute books.

PENSIONERS CANNOT EXIST ON PRESENT PAYMENTS

Mr. KNUTSON. I thank the gentleman for his contribution. It is all the more appreciated coming from him, a veteran of two wars.

May I say to the gentleman from Michigan that by no stretch of the imagination can $3.59 a month, which is the average amount now being paid in the State of Mississippi, be considered an old-age pension. In Minnesota the average is $18.73, which is 23 cents above the average for the entire country. The Members of the House can readily appreciate how far $18 a month will go in Minnesota, especially in the wintertime, with the weather perhaps 30 or 35 below zero. I dare say the biggest part of that amount goes for the purchase of fuel, and that means very, very little left for food and clothing. As far as any luxuries or pleasures go, of course, they are absolutely denied under the restricted amount which is being paid by the several States.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

PRACTICALITY OF PROPOSED LIBERALIZATION

Mr. MICHENER. I want to commend the gentleman for the work he is doing. He is doing something which is practical. The sooner the people in the country realize this $200 a month pension as proposed by the original Townsend plan is not only unreasonable but is unworkable and unnecessary, the measure the gentleman suggests, or some more liberal one, will have some chance of consideration.

Mr. KNUTSON. May I say to the gentleman from Michigan that when the Committee on Ways and Means held hearings upon the social-security bill Dr. Townsend appeared before the committee, as did his expert, Dr. R. R. Doane. Dr. Doane stated frankly to the committee, and the gentleman can read his statement in the printed hearings, that $60 a month would be the maximum that could be

paid under Dr. Townsend's proposed 2-percent transaction tax. It was called to Dr. Townsend's attention that an income of something like $25,000,000,000 a year, if I recall it correctly, would be required, and I wish my colleagues would correct me if I am wrong.

Mr. WOODRUFF. Something like that.

Mr. KNUTSON. It would necessitate an annual turnover of $1,200,000,000,000. In order to obtain that staggering sum, which is an astronomical figure far beyond the power of the human mind to grasp, it would be necessary to tax checking accounts, pay rolls, and everything else. Every time a dollar turned over a 2-percent tax would have to be imposed.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. Yes.

Mr. MICHENER. The gentleman means this transaction tax would cover all transactions—as set forth in those hearings—from the newsboy in the street and the woman in the country, who sells a dozen eggs, up to the man who trades in Wall Street?

Mr. KNUTSON. According to Mr. Hudson, who also testified in behalf of the Townsend plan and who at that time was very active in the Townsend movement——

Mr. MICHENER. And who said he could not vote for it.

Mr. KNUTSON. A loaf of bread would have 12 or 14 different additional taxes placed upon it from the time the wheat left the bin of the farmer until the loaf of bread went on the table of the consumer.

LETTER FROM CONGRESSMAN M'GROARTY

At this juncture I will insert a letter written to me by Congressman McGROARTY, who introduced the bill embodying the original Townsend proposal:

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 22, 1936.

Hon. HAROLD KNUTSON,
Member of Congress, Wadena, Minn.

MY DEAR HAROLD: I wish to express my regret that I did not have an opportunity to see you and thank you for your cooperation during our fight for old-age-pension legislation. Let me say that you have been most helpful to us in our efforts. You helped us secure a hearing for my measure before the Ways and Means Committee, of which you are a member. You also helped draft the so-called revised McGroarty bill, and you voted to substitute the provisions of that bill for the President's old-age-pension plan. No one could have done more for the cause than you have done, and I want you to know that I shall always remember your efforts in behalf of our plan with deep appreciation.

With every good wish for your future success, believe me to be always,

Faithfully yours,

JOHN STEVEN McGROARTY.

MUST AVOID REVENUE-RAISING PLANS THAT WOULD BRING ABOUT INFLATION

It would make me most happy to see the aged and the helpless receive a pension of $200 per month, but, like Dr. Doane, I do not see how such a happy condition can be made possible unless we bring on an inflation of our money that will reduce the buying power of the dollar almost to the vanishing point. There are so many angles to this question to which the average person has given little or no consideration. There is an old Arabian saying that you can pile enough straws on a camel's back to break it. I am wondering if the American taxpayer is not carrying just about as many tax straws as he can possibly bear. Let us not forget that excessive taxation will retard recovery more than any other one thing.

When the social-security bill was before the House for consideration I voted to substitute the McGroarty bill for the old-age-pension plan contained in the security bill and at that time gave my reasons for so doing. I have repeatedly stated that I would vote for a 2-percent sales tax to finance old-age pensions, but I have never held out the hope to anyone that it would bring $200 per month. I could not, in the light of what Dr. Doane testified to when he appeared at the hearings on the social-security bill.

NEEDY AGED MUST HAVE HELP NOW

I want to give to our aged every dollar possible, but I realize that we must confine ourselves to a program that the President will approve. Our aged are interested in getting immediate results. They cannot wait for the enactment of some plan that will take years and years to put into effect if it can be at all.

In the name of these old pioneers, most of whom have reared and schooled a family and paid taxes to support the Government, I beseech each and every one of you to get behind our bill which will make their declining years free from the fear of uncertainty. Many of our aged people now find themselves in a necessitous situation through no fault of their own, but rather because of the rapidly changing economic conditions over which they have had no control, brought on by the most devastating war of all time.

[Here the gavel fell.]

Mr. KNUTSON. I thank the House for its very kind attention. [Applause.]

GROVER CLEVELAND—MAN OF CHARACTER

Mr. BEITER. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BEITER. Mr. Speaker, it was impossible yesterday due to the vote on the neutrality bill to make proper reference to the one hundredth anniversary of the birth of Grover Cleveland. Under leave to extend my remarks on this subject I wish to include a portion of an article written by Robert L. Archer under the title of "President Who Came Back."

Searching through the records, studying the newspapers of his period, weighing the words of his contemporaries, you come at last upon the secret of Grover Cleveland's greatness. The man had character.

You could not say of him, as they said of Washington, that he never told a lie. There is no picture of him trudging 7 miles in honest poverty to borrow an English grammer to prepare for a rendezvous with destiny. Their is no record that, like McKinley, he knelt on the White House floor to ask divine guidance in his hours of tribulation.

What he had that so many of his companions failed to see in him was a plain but uncommon intellectual honesty.

Grover Cleveland has the rare distinction of being three times nominated for President, nominated and elected in 1884, nominated and defeated in 1888, and nominated and elected in 1892.

His first American ancestor was Moses Cleveland who, at the age of 11, came to Massachusetts in 1635 as an indented apprentice. The first son of Moses Cleveland was named Aaron, and for 4 generations the first son bears that name, until in 1770 William Cleveland appears to break the succession. William's son, Richard Falley Cleveland, was Grover Cleveland's father, and was born at Norwich, Conn., in 1804, and in 1829 became the pastor of the First Congregational Church in Wyndham, Conn. In 1829 he married Ann Neal of Baltimore. In 1833 he was transferred to Portsmouth, Va., and 2 years later moved to Caldwell, N. J. Grover Cleveland, born in 1837, was the fifth child born to that union, and was named Stephen Grover in honor of the former pastor at Caldwell who had served that congregation for more than 50 years. Other children followed until there were 9, and the family of 11 had to exist on the meager salary received from the church, said never to have exceeded $600 per year. In 1841 the Reverend Richard accepted a call to Fayetteville, N. Y., and continued in his pastorate there for 9 years. There the young Grover received rudimentary education at the Fayetteville Academy.

Failing health and the strain of supporting so large a family on so small a salary compelled another move, and the Reverend Richard received an appointment as an agent of the American Home Missionary Society, which involved a change of residence to Clinton, N. Y. Here the young Grover was preparing for college, hoping to soon enter Hamilton College. But such was not to be, as the dire straits of the family compelled him to seek employment to help out the family purse. So he returned to Fayetteville to work in a village store for 2 years, receiving $50 for the first year and $100 for the second, with board and lodging

furnished without charge. He then returned to Clinton, hoping to continue his preparation for college, but again the hand of Fate intervened by the death of his father.

After a year or two of unsatisfactory and uncertain employment, he borrowed $25 from a friend and started west. His prospective destination was Cleveland, Ohio, with the idea of becoming a lawyer. On arriving in Buffalo he called on a married aunt, who advised him to stay in Buffalo, where, in her opinion, opportunities were better. Her husband, Lewis F. Allen, was a man of means and of considerable local prominence. Young Cleveland became a member of the Allen family virtually, as Mr. Allen's private secretary. With his uncle's influence and friendship, he had no difficulty in entering the office of a reputable law firm as a student.

His independence of character was exemplified in the political campaign of 1856 when, although only 19 years of age, he chose to become a worker for the Democratic Party rather than join with his uncle, who was a prominent and enthusiastic supporter of the first Republican Party ticket.

Four years of office study prepared him for admission to the New York bar, and for 4 additional years he remained with the law firm as managing clerk. He vacated that post in 1863 to accept an appointment as assistant district attorney for Erie County. This appointment came to him without solicitation on his part and was a forerunner of conditions and situations that formed about him in future years whereby succeeding steps in the ladder of political fame were taken, not by any ambition of his, but by a combination of events and circumstances that pointed to him as the logical leader of his party. On account of the ill health of the district attorney many of the duties of the office devolved upon Mr. Cleveland. His record was such that he was nominated for district attorney, and although defeated, he received a vote much above the normal strength of his party.

His obligation to help support his mother caused him to remain out of service when Lincoln's call for troops went forth and to avail himself of his legal right to hire a substitute when drafted. Such action was the source of considerable embarassment to him in future political campaigns. The facts in the matter as stated in Mr. Cleveland's own words were:

> When the war came there were three men of fighting age in our family. We were poor and mother and sisters depended on us for support. We held a family council and decided that two of us should enlist in the United States Army and the third stay at home for the support of the family. We decided it by drawing cuts. The two long and one short pieces of paper were put by my mother in the leaves of the old family Bible. She held it while we drew. My brothers drew the long slips, and at once enlisted, and I abided by my duty to the helpless women.

He resumed his law practice, and in 1870 was nominated for sheriff. He reluctantly accepted the nomination and in a normally Republican county was elected by a majority of 100 votes. He retired at the end of his term with an augmented reputation for honesty and fearlessness. For the succeeding 8 years he returned to the practice of law. He was more and more recognized as a prominent citizen of independence, force of character, and high sense of integrity. In 1881 his party turned to him as the logical candidate for mayor of Buffalo. Again the nomination was practically forced upon him, and in his letter of acceptance occurs the famous phrase, "public officials are the trustees of the people", and from it was created the equally famous slogan of his later campaign for President, "public office is a public trust." He was elected mayor of Buffalo by the largest majority ever given a candidate for that office.

His record was such that he was just as distinctly drafted for the governorship in 1882 as he had been for offices previously held by him. The Republican Party nominated Charles J. Folger, a gentleman of high character, but there was a factional dissension in the party ranks, and when the votes were counted it was found that Grover Cleveland had received 535,000 out of a total of 915,000. The majority was much too large for a mere party victory and undoubtedly represented the determination of one faction of the Republican Party that the nominee of the other faction should not be chosen.

His record as Governor displayed the same characteristics as were shown in the offices previously held by him, viz, courage, honesty and the absence of partisan or personal designs. His career as Governor further emphasized his belief that public officials are the trustees of the people. Undoubtedly this course antagonized elements in his own party, but on the other hand it drew support from men of high purpose in the opposing party.

Then came the national conventions of 1884. Cleveland was nominated on the second ballot over the opposition of Tammany Hall, whom he had greatly antagonized during his term as Governor. The Republicans had a month or two previously nominated James G. Blaine and faced a party division, especially in New York, with the so-called "Mugwumps" led by George William Curtis and Carl Schurz. The campaign was violent, vituperative and often offensively personal. However, Mr. Cleveland did not lend himself to such methods. In fact, he tried to shield his opponent from attacks upon his personal character and private life.

At this day, 17 years after the close of the World War, one can hardly realize that Grover Cleveland came to the White House only about 19 years after the close of the War Between the States. Nor that the havoc wrought upon our country, morally, politically, financially and economically, had been much greater then than now. His party came to power after a long reign by the opposing political party, and after a period when the waving of the "bloody shirt" was a much favored political shibboleth in the prosecution of political campaigns. However, the North had become somewhat disapproving of some of the reconstruction policies of the Republicans and that party was divided by factional strife. With the nomination of Cleveland the hour had struck for the division of the northern vote and the consequent election of a Democrat as President, the first Democrat to occupy the White House in 24 years. The vote was exceedingly close, and it was not until 10 days after the election that the choice of Cleveland as President was finally conceded. He carried New York by only 1,047 votes, and the Nation by only 23,000 out of 9,700,000 votes cast.

His administration had hardly gotten under way when he met with difficulties. He had a Republican Senate to contend with, and his pledges of civil-service reform which had brought him the support of the "Mugwumps" did not at all coincide with the ideas of many of the leaders of the Democratic Party. Office seekers by thousands with their friends and advocates made his life miserable. Andrew Jackson was the first President who frankly divided the spoils of victory among his supporters, and the precedent then established had been followed by each successive President no matter to what party he belonged. Mr. Cleveland did not believe himself to be a civil-service reformer with Democratic leanings, but rather a President of the United States who believed in the principles of civil-service reform. In carrying on with these convictions he found himself in conflict not only with many of the leaders of his own party but also with the leaders of the reform movement such as Carl Schurz and George William Curtis. Nothing that he did was pleasing to both. Nevertheless he pursued the even tenor of his way, believing that the chief object of civil-service reform was to supply a list of competent persons, tested by examination, from which appointments could be made.

Outside of the civil-service list there were about 49,000 fourth-class postmasters subject to appointment by the President, and about 5,000 miscellaneous positions, mostly held by Republicans, and for each of these there were one or more expectant Democrats bringing to bear all the pressure and influence they could to fill vacancies or to make vacancies where none existed. By refusing to go to one extreme with the spoilsmen he lost their support, and by refusing to go to the other extreme with the reformers he lost their confidence. During his first summer in the White House he wrote to a friend, "All the time, like a nightmare, this dreadful, damnable office-seeking hangs over me and surrounds me."

There were other difficulties and annoyances confronting him, and to Mr. Cleveland's forthright mind these seemed to present a question that demanded a show-down. Under our Constitution the President is given the power to make appointments to office, but in certain cases these appointments must be made "by and with the advice and consent of the Senate." Thus it has come about that appointments to many posts of importance are made by the recommendations and influence of the Senators, even over the judgment of the Executive. The so-called senatorial courtesy of that body makes it easily possible for Members to combine and thwart appointment of any person who for any reason is objectionable to any Senator. Then, too, at this time the Senate had a Republican majority, and was inclined to make things as difficult for the President as possible. The Senate now attempted to extend its power to include its advice and consent for the removal of persons from office and asserted its right to require the Attorney General to produce all papers and correspondence dealing with the removal of an officeholder. President Cleveland stoutly defended his constitutional prerogatives and declared that the scores of demands sent to the different departments—

Have but one complexion. They assume the right of the Senate to sit in judgment upon the exercise of my exclusive discretion and executive function, for which I am solely responsible to the people. * * * My oath to support and defend the Constitution, my duty to the people who have chosen me to execute the powers of their great office and not to relinquish them, and my duty to the Chief Magistracy, which I must preserve unimpaired in all its dignity and vigor, compel me to refuse compliance. * * *

This message reiterates President Cleveland's faith in the division of powers provided for in the Constitution, and his belief that the encroachment of any one department of government upon another would finally result in confusion. It is certain he could never be charged with encroaching upon the powers of either the legislative or judicial departments, and it is equally certain that he would not permit encroachment upon his executive functions. The contentions of the Senate along this line finally subsided.

Although Mr. Cleveland had won his fight for independence of the Executive he now abandoned all thought of "independence" along other lines by taking to himself a wife in the person of the daughter of his former law partner, the beautiful Frances Folsom. They were married in the Blue Room of the White House on June 2, 1886. They repaired for their honeymoon to Deer Park, Md., and were there subjected to the painful sensation of having their every action exploited by the press to an eager and interested public. They were literally besieged by reporters whose activities finally brought this scathing denunciation from Mr. Cleveland:

They have used the enormous power of the modern newspaper to perpetuate and disseminate a colossal impertinence, and have done it not as professional gossips and tattlers, but as the guides and instructors of the public in conduct and morals. And they have done it, not to a private citizen, but to the President of the United States, thereby lifting their offense into the gaze of the whole world and doing their utmost to make American journalism contemptible in the estimation of people of good breeding everywhere.

Hon. Chauncey Depew, writing to Dan Lamont, said:

My only regret about it is that it will be so much harder for us to win against both Mr. and Mrs. Cleveland.

The SPEAKER. Under the previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 15 minutes.

Mr. HOFFMAN. Mr. Speaker, it is fitting at this time that we should hear something more about the great Democrat, Grover Cleveland, whose birthday occurred yesterday. I listened with more than usual pleasure to the gentleman from New York, but I failed to hear him draw the obvious lesson from the life of this great Democrat and this great President which would be very, very useful to us if followed today.

No one questions at this time, and few did when he was alive, either the purpose, the ability, or the courage of Grover Cleveland. We recall that when the Pullman strike was on in Chicago in 1894 Grover Cleveland remembered that words were not enough, that some action was required on the part of the man who had authority, and he remembered the statement he had made, and just quoted by the gentleman from New York, that public office is a public trust. He remembered that he had taken the oath of office to support the Constitution of the United States. He remembered that as the Chief Executive of this Nation it was his duty to the people to enforce the law of the country. He undoubtedly believed that one of the things which should be preserved to the average citizen was his liberty, his property, his right to work, and, as I am sure you recall, he sent Federal troops to Chicago to see that the laws were obeyed and the liberties of the citizens preserved. He restored order in that locality.

For they have sown wind, and they shall reap the whirlwind.

Long, long years ago, long before the "horse and buggy" days, these words were written. Despite their age, true they remain, in your time and in mine.

Acting at the request of the President, Governor Murphy ignored this law of nature, this admonition of the prophet. When armed strikers from other cities and other States marched into Michigan and the city of Flint and took possession, in utter disregard of right and justice, to say nothing of law, of the property of the motor-car manufacturers and of the jobs of the workers of Flint, he called upon the armed forces of the State to protect these kidnapers of our factories from the wrath and the vengeance of those citizens of Flint, who, prior to the arrival of the strikers, held jobs in the city of Flint and earned for themselves and their families a livelihood.

Governor Murphy defied the mandates of the court; he stood openly behind the violators of the State statutes; he gave his approval by word and by act to those who were beyond the law—all this under the guise that he desired to prevent bloodshed.

By throwing the weight of his office in the scales of justice and so overbalancing the demand for observance of the laws we had and the enforcement of those rights which everyone concedes must be observed, if liberty is to endure, the President of these United States, acting through his Secretary of Labor and through the Governor of the State of Michigan, whom he selected, sowed the wind. He sowed the seeds of armed rebellion and of anarchy. We "shall reap the whirlwind."

All over this land of ours, those who would rule by force found encouragement and, the seeds so sown on the productive soil of unrest, well prepared by the President's long course of preaching discontent, class hatred, brought forth a hundredfold.

At present our President is on a vacation. There are other executive officers, however, and the difference between the Executive now in charge and Grover Cleveland is so apparent that we can only wish we had a little of the old-fashioned brand of democracy.

I noticed in the papers the other day that the President had a sty on his eye. His every act, his every doing, is recorded in the newspapers. He is a loquacious gentleman and has a word for every occasion. I wish he would read the papers a little more and discover that we have an armed rebellion in Michigan. Ordinarily the President can find words to express his views. I wish he would call the attention of Mme. Perkins and the Governor of the State of Michigan to the fact that we have that armed rebellion there, and that it is the duty of the State executive officers to enforce the laws of our State. I wish the President would remember that as the head of our Nation, having told us he would preserve to us the rights guaranteed under the Constitution, he would take a little action in accordance with the resolution offered by me here more than a month ago; in fact, on February 9.

About all the President's representative in Michigan—and I refer to Governor Murphy—has done, has been to hold conferences. He calls one conference after another, day after day. What is the purpose, what is the object? He said his purpose was to prevent bloodshed. That is a laudable purpose, and we all agree with him that if possible bloodshed should be prevented.

When those strikers took possession at Flint, the courts ordered them out and the sheriff was ready to put them out. The workers who had been dispossessed of their jobs were willing to undertake the job of putting them out. The city manager of Flint was ready to throw them out, and so too, was the police force in the city of Flint. Why didn't they do it? Less than 10 percent at that time were members of the C. I. O., but the C. I. O. had contributed this half million dollars to the campaign to reelect the President, and so of course there was that political debt, which must be paid, and it was paid. It was paid by Governor Murphy when he said to the sheriff, "Withhold your hand, let the enforcement of the law be suspended for a time."

Why was the enforcement of the law suspended? The Governor prevented the enforcement of the law, thus giving opportunity to the organizers of the C. I. O. to force into the ranks of that union the men in the factories who were not members and who did not desire to join. It was suspended until the factory owners, intimidated, yielded to this gospel of fear which the President and the administration are preaching, fear of what the administration, the United States Government, the Federal authority, might do to these factory owners and factory operators, to whom the President has been pleased to refer as "economic royalists."

At a recent dinner, Postmaster General James Farley said there would be no reprisals. Industry is learning that the era of good feeling has passed and that revenge now has its sway.

The whip is being cracked, and with a vengeance, not over, but on, the backs of industry, while political supporters are rewarded, in this instance, by Mme. Perkins, who, if they balk, calls them to another "conference"—the third degree under another name.

You all recall that General Motors said that they would not negotiate until these men went out of the factories. They did negotiate, and they negotiated because they were afraid of "the big stick."

Why did they recede from that stand? Because they knew that until they did, until they surrendered, the possession of their factories would be withheld from them—those factories which one of the Senators said the other day had been kidnaped and held for ransom. They did in the end yield. They yielded because of the pressure brought to bear upon them through Governor Murphy and Mme. Perkins by the President of the United States.

Mr. BREWSTER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes; for a question.

Mr. BREWSTER. Is it a fact that the Secretary of Labor has indicated that she thinks this procedure is possibly legal and proper?

Mr. HOFFMAN. That is the substance of her statement.

Mr. BREWSTER. If that procedure is legal and proper for them to take possession, then would it not be equally legal for the home owners in Maine who are being dispossessed by this Government to ask that they be permitted to carry on a sit-down strike and stay in their homes, instead of being ejected in the middle of a Maine winter.

Mr. HOFFMAN. The question, of course, answers itself. On the same theory the home owners would retain possession, but such theory would be accepted by no one, unless his ideas are similar to those of Mme. Perkins.

Mr. BREWSTER. And would not that also apply to the 166,000 home owners who are to be thrown out of their homes by the United States Government?

Mr. HOFFMAN. If there are that many it would apply to everybody alike.

Mr. BREWSTER. That is the number they estimate they are going to put out of their homes in the next year.

Mr. BRADLEY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. BRADLEY. Speaking of the General Motors, is the gentleman in a position to inform the House of anything in connection with the financial structure of the General Motors, and the percentage of profits they have been paying?

Mr. HOFFMAN. I regret that I am not, and the question is of no importance in this discussion. If General Motors owns the property they are in possession of, is it not right that they should have it, if they acquired it honestly?

Mr. BRADLEY. It may be very important.

Mr. BEITER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. BEITER. Along those lines, has the gentleman any information as to how much the General Motors has paid to detective agencies to spy on the workers working in those plants?

Mr. HOFFMAN. No, I have not, but I cannot see how that question is pertinent to this discussion either. If some one intends to disrupt the business, has not the employer the right to learn about it? Do not misunderstand me. I am not defending any of those practices of the General Motors. I am not saying that the men received sufficient wages, and I am not saying they were not required to work too many hours, or that the speed-up was not too great.

The proposition that I make is this, that if a man owns a coat and has possession of it, what right has someone else to take it away from him? If you put your garment down in a restaurant and I come along and take it away, does it make any difference how much you paid for it or how you got the money to pay for it? Is it yours? Are you to be protected in your right to keep it and wear it? That is the question.

Mr. BEITER. Would the gentleman suggest sending sheriffs in there and probably cause bloodshed and riots?

Mr. HOFFMAN. I will answer that. The object of the Governor, as he stated, was to prevent bloodshed. Did he do it? At Flint he did. At what cost? At the setting aside of the law. When you set aside legal processes, when you take away from a man the protection of the law, you do not prevent bloodshed. You just permit the man who has less respect for the law than you have to come in and take away your property. You might just as well say that the people of France and Belgium, when Germany started to march across their land and take away their homes, should have remained quietly at home to prevent bloodshed. There would be just as much sense in that. Why not? Did those men at Flint have a right to work? You say the sit-down strikers had a right to their jobs and therefore they had a right to close the factory to men who wanted to work. Did they have a right to take away his job? Because "B" does not want to work, must all the rest of the alphabet remain at home? What a proposition that is!

Mr. BEITER. I am not in sympathy with the sit-down strikers, but I do believe that the Governor acted in good faith when he tried to get the various factions together and tried to avoid bloodshed. He did successfully avoid bloodshed.

Mr. HOFFMAN. Did he? What about conditions in Detroit today? Did he avoid bloodshed? You might say that as a direct result of that C. I. O. victory at Flint the strikers went down to Anderson, Ind. They went down by the hundred. They went armed. Some of them broke into a restaurant, and two loads of buckshot from a private citizen stopped that matter down there, did it not? The others were, by the orders of the Governor of that State, turned back at the State line. Governor Townsend of Indiana performed his duty, under the constitution of his State. He enforced the laws of his State. He kept the oath which he had taken when he was inaugurated. By the firmness of his stand he saved Anderson from bloodshed and from riot.

Over at Waukegan, Ill., the strikers took possession of a factory and they held it, notwithstanding the orders of the court, until the executive officer of the county the sheriff, went in by force and threw them out.

No great moral question is ever settled until it is settled right. Some of these questions cannot be settled until blood has been shed. The question comes, whose blood is to be shed; whether that of the honest, home-loving citizen

who exercises only his legal rights, or that of the armed fellow who marches in from the outside bent on trouble and says, "I will do this and you shall not do that." Just whose blood shall be shed?

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. WOODRUFF. Does not the gentleman from Michigan agree with me that to temporize with plain armed rebellion is to invite bloodshed, not to stop it?

Mr. HOFFMAN. Certainly. The facts demonstrate that beyond any question.

What is it that these gentlemen are trying to accomplish? What is it that John L. Lewis, the C. I. O., Governor Murphy, and the President are trying to bring about?

Who is the political boss of this country? I know that the President, when he is not on a vacation, when he is in the White House, is the boss of Congress, all right enough, but when it comes to labor disputes, where does he get his orders? He gets them from Lewis, and he gets them in language that the man on the street can understand.

At the beginning of the strikes in the motor industry, Lewis, in substance, told him that labor had contributed to his campaign, that labor had elected him, that General Motors and others had fought him, and that C. I. O. and its affiliates expected the President to stand by them in their fight with industry.

When the question as to whether the law should be enforced arose, when the courts of Michigan had decreed their enforcement, when the sheriff of a county of that State was ready to enforce the laws, Murphy, who the press tells us, was in communication with the President and with Mme. Perkins, halted their enforcement.

Go back now for a moment, if you will. In a preceding session of Congress, when the enactment of certain coal legislation was desired, Lewis threatened to call a strike if those bills were not enacted into law. The doctrine of fear was used and Congress acted. The same methods are being employed today.

The other day a distinguished gentleman, who is a personal friend of the President, who is a leader in the Democratic Party, made the statement that nothing could be done about this situation until the Supreme Court decided upon the constitutionality of the Wagner law. Neither the Governor of the State of Michigan nor the administration needs a decision by the Supreme Court, or any other court, to give it the law of the case in Michigan. The law, the justice of that law, is undisputed.

That statement in reference to the Supreme Court by the distinguished gentleman and leader in the Democratic Party was a sly thrust at the Supreme Court.

Was that statement an intimation to John Lewis and the C. I. O. to continue their organization schemes, to take possession of more factories, more businesses, and of stores? Was that a further application of the doctrine of fear?

There is an editorial writer on the Washington News who has never been classed as a conservative. What does he report on the situation in Detroit?

In his editorial of March 17, writing from Detroit, he made the statement, in substance, that all over the city of Detroit there were "islands of anarchy". What does that mean?

It means that the cause of this disorder, these present strikes in the Chrysler plants at Detroit, can be traced back directly to the sowing of the seed of nonenforcement of the law by our Governor at Flint.

It means that Bainbridge Colby, Wilson's Secretary of State, had vision and understanding when he said in 1934, referring to some of these "new dealers", that they were interested in producing "a better psychological background for the prosecution of their revolutionary" schemes more than they were interested in promoting an economic recovery.

It means that the prophecy made by Ex-Senator Reed, of Missouri, on September 17, 1934, when he said, "No longer shall any man be the proprietor of the business his genius and toil created," has come true.

It means that, unless the strong arm of the law is interposed between these men who are using organized industry for their own purposes, in an unlawful, unjust, and overbearing manner, and the property owner and the laborer who desires to work, we shall have civil strife.

All these disputes between labor and industry should be settled by arbitration. If we lack legislation, we can enact it, but, in the meantime, the security of the worker and of the citizen must be preserved.

It is evident that the present situation has gone beyond the control of those labor leaders who have the real interest of their organization members at heart. There has, in the past, been much complaint, and justly so, of armed and organized strikebreakers. Today, there is reason to complain of nonresident, organized, armed strike creators—men who march in from other localities for the sole purpose of taking possession of places of business until demands made by them are granted. Governor Murphy yesterday described the actions of some of these men as "banditry." The little kitten coddled by the Governor is now a full-grown tiger.

Neither the Governor of the State nor the President is performing his duty to enforce the law, to protect the citizen, either in his right of property or his personal right to work.

In this country, as in all others where open violation of the law has been countenanced by those charged with its enforcement, we shall have continued violence, and civil strife between warring groups will be ended, not by the application of legal remedies, but by the force of arms.

Do our executive officers intend to permit these sit-down strikes to continue until the situation calls for a dictator? Answer that question for yourselves in the light of the facts. [Applause.]

The SPEAKER. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. FOCHT] is recognized for 15 minutes.

Mr. FOCHT. Mr. Speaker, I was greatly interested a few moments ago when the gentleman from Ohio was speaking, but I am afraid he made a misstatement. He said there was not in operation anywhere in the country an old-age-pension law. At least this was the substance of his statement. Let us look into the subject a little. Back in 1931, in Pennsylvania, Governor Wolf was defeated for the governorship because he stood for free public schools. The charge was made that Pennsylvanians were opposed to education. They were mistaken, as the gentleman from Ohio is in regard to the old-age-pension law. Those men who opposed Governor Wolf compelled Thad Stevens to jump out the window of the House of Representatives because he was for free schools. They were not opposed to education, but they had not reached that point of great benevolence and understanding of what the economy of the country would develop into to help educate the other fellow's children. They were for education, and they paid for it. In all the valleys of the State you can see what is left of old academies which were supported by men of means and to which they sent their children to be educated. They believed in education. Now, as you know, we have free schools, just as they do everywhere else; and more of the tax money is cheerfully spent on schools than on all other activities. We have high schools which would have been classed as universities in another day.

Old-age pension is not a new birth at all for this administration or for any recent administration. It was born right here on the floor of this House in 1915 when General Sherwood of Ohio and myself had repeated conferences. General Sherwood was a most scholarly gentleman, not only a soldier, but a statesman; and when he left here he said to me that he hoped I would follow up this old-age-pension idea for he considered it the greatest humanitarianism ever conceived.

I feel that the reason we do not have a perfectly working old-age-pension system in every State is due, as was the slow progress of free education in Pennsylvania, to so many interferences.

Following our conversations on the subject I introduced a bill providing for old-age pensions, making the age 65. That was in 1915. The next year I delivered a speech on it. It is a matter of record. But we were in the midst of the war or just about to enter the war then. The war had the world aflame and there was no chance for us to do any such extensive or heroic thing as to establish a general old-age-pension law in the various States of the country. We had no old-age-pension law in Pennsylvania at that time, but there is one working now, and the idea is accepted as a principle. Throughout the ages comfort and rest for the old has been earnestly sought. I feel that we are now approaching the time when we can be content under the assurance that poverty must abdicate.

I would say to the gentleman from Pennsylvania, Mr. Bradley, who propounded the question about the profits made by corporations, that it is absurd for us to talk about people perpetuating their wealth through inheritance. I went to the trouble to make a research for nearly 2 years in the Library and with the aid of their assistants, that I might lay before this House definite, positive knowledge that a fortune cannot be followed beyond the third generation. With the taxing power in the hands of the masses, although they may not be using it right in all cases, what complaint can there be against a rich corporation? If it is too rich everybody knows the remedy. I do not say that the taxing remedy should be applied so drastically as to drive the corporations out of this country, to send them to England or some other place; it should not be so drastic as to take away incentive, for that is a fundamental and basic principle in our industrial system in America—incentive for advancement, the opportunity to get somewhere.

I should like to have entered this debate a little more extensively during the past 2 months. In my opinion, what has been said here by men on both sides of the issue, instead of disrupting the country and shaking the rock of our Constitution, has given us better anchorage than we ever had.

Now, I am going to appeal to your pride for a little bit, you gentlemen from the South, you gentlemen from the North, and you gentlemen from the West, to see if we are doing what the gentleman from Texas [Mr. SUMNERS] said, that we are to do what our fathers told us to do. We are to do it here and we are to do it ourselves. I hope that when I shall have finished what I have to say in the few minutes at my disposal you will at least feel that there has been an utter absence of any partisanship in my remarks. During these debates I received more inspiration, more knowledge, and more hope from the very things that were said for and against the subject than I have drawn from any other source. This is an intellecutal Congress but it must have courage.

There is no such thing as a break in the perpetuation of human rights, particularly those that rest upon our Constitution.

The one thing that calls for a real answer from my Democratic friends is to tell the world why this country with tons of gold piled away, and exhaustless credit, with power of absolutism in the hands of the President, and all the operating money he can spend, with every nation in our debt, and yet in the one great overwhelming object and purpose which must be accomplished by someone, you have utterly failed to materially reduce the number of unemployed, and until you do that your administration must be regarded as falling far below your platform pledges, in fact is a failure.

Mr. HOUSTON. Will the gentleman yield?

Mr. FOCHT. If the gentleman does not take too much time.

Mr. HOUSTON. I appreciate that. I wonder if the gentleman might offer some solution with reference to putting these people to work?

Mr. FOCHT. When I get through I think the gentleman will have that information.

Mr. HOUSTON. They are going to work Monday morning?

Mr. FOCHT. Mr. Speaker, this fact, coupled with the reduction of the national debt from 26 billions to 16 billions, under the Secretary of the Treasury, Andrew W. Mellon, and which has since been increased to 40 billions, and daily mounting, leaves plenty for the President to answer in his speeches on the radio in his campaign against the Supreme Court.

Two things shine full and fair in the face of the ablest and boldest Democrat on this floor: One is the fact you have ignored your party platform pledges, and the other that you are hunting over the earth in an effort to trade away the best market in the world for the cheapest market, and instead of taking care of American workmen you are doing your best to provide employment for the farmers and workers of Canada and Europe and Asia, and with more strikes and labor disturbances than were ever before known on this continent.

That is shown by the increase in the imports and the decrease in exports, but even though we might send out more than we receive, the difference in the cost of producing commodities at home and abroad in the final analysis leaves the balance against the United States.

One remarkable coincidence of this program of paper collar reciprocity is that it is much akin to the economic theories of Karl Marx, Rousseau, Voltaire, Owen, St. Simon, La Salle, and other Socialists, who believed in a universal exchange basis of trade throughout the world, and also an international standard of wages paid labor. And if the Karl Marx theorists were permitted to apply such program, what a fine situation American labor would be in trying to compete with the cheap labor of Europe and Asia.

In the story of this question of tariff and protection, I was for a long time perplexed over the attitude of some Democrats who are insistent that we so shape our duties of entry that we may be able to buy more cheaply, never seeming to be concerned about what the workers here are to get by way of wages.

We read about the first law enacted after Washington was inaugurated being a protective tariff act, proposed by Alexander Hamilton; in the messages and papers of the Presidents I found Jefferson and Jackson to have been for protection, while the greatest tariff law ever enacted was signed by a truly great Democrat—one who had been United States Senator, Minister to England, and President—James Buchanan, of Pennsylvania.

Article 1, section 1, of the Texas Republic Constitution adopted March 17, 1836, says:

> The powers of this government shall be divided into three departments, viz, legislative, executive, and judicial, which shall remain forever separate and distinct.

The Confederate Constitution, section VIII, article 1, unanimously adopted March 11, 1861, says:

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises for revenue necessary to pay the debts and provide for the common defense, and carry on the government of the Confederate States; but no bounties shall be granted from the Treasury; nor shall any duties or taxes on importations from foreign nations be laid to promote or foster any branch of industry; and all duties, imposts, and excises shall be uniform throughout the Confederate States.

[Here the gavel fell.]

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent that the gentleman may be allowed to proceed for 10 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. FOCHT. Mr. Speaker, in the last message of President Buchanan, on December 3, 1860, he made reference to the impending National crisis as follows:

> Sooner or later the bonds of such a Union must be severed. It is my conviction that this fatal period has not yet arrived; and my prayer to God is that He would preserve the Constitution and the Union throughout all generations.

And from the farewell address of George Washington I quote the following:

> The basis of our political system is the right of the people to make and to alter their constitutional government, but the

Constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all.

I will grant you that had the Confederacy been successful the program would have been all right, for then the South could have exchanged with Europe, and even the North, her raw materials for manufactured goods. But it is not sound now and never can be with the development of the South with the mountains there ribbed with iron and coal and plenty of limestone, a monopoly on cotton and all kinds of fruits and vegetables, and better transportation than there is anywhere in the country.

Nearly every speaker who discussed the reciprocity question during past weeks seemed to find safety in the shadow of Secretary Cordell Hull. What they said about him personally goes with me 100 percent, but the declaration that went on here about Secretary Hull's tariff views is all wrong. Cordell Hull is not a free trader nor a near-free trader, but is out to admit foreign goods to the point of overflowing in order to rake in duties at the ports of entry, and under this system the American worker and businessman will be left to find a job or any profit in doing business.

Thus we see the futility of chasing over the world to find a cheap market in which to sell the 7 to 10 percent of surpluses which is all we have in normal times, and give at reduced tariff rates a market many times as great as what we get in agricultural and other products.

Mr. MASSINGALE. Will the gentleman yield?

Mr. FOCHT. I yield to the gentleman from Oklahoma.

Mr. MASSINGALE. A while ago the gentleman made reference to his experience with some legislation in regard to old-age pensions and to a bill that he introduced in this House some time back. I am curious to know something of the evolution of the thought in regard to old-age pensions then as compared with now, and how did the gentleman propose to raise the revenue with which to pay those pensions at the time he introduced the bill?

Mr. FOCHT. They were probably to be paid directly by the Government.

Mr. MASSINGALE. How would the Government get the money?

Mr. FOCHT. I would have to refer the gentleman to the methods the Government has of getting money today. That question has been propounded here from time to time. There are no difficulties in connection with getting money in a country that is the richest in the world. There is no trouble about our finances now and there never will be.

Mr. MASSINGALE. I am sure there is no difference between the gentleman and myself in regard to our thoughts in reference to paying old-age pensions; but I was curious to know how the gentleman provided for getting the money, because we have had transaction taxes and manufacturers' taxes and things of that sort proposed here, and I wanted information.

Mr. FOCHT. May I say to the gentleman what we were struggling to do at that time, General Sherwood and a few of us, was to establish the principle first, feeling there was an obligation resting upon every living human being to help take care of the aged, and particularly after that period arrived when we refuse to give men work when they are past 45 or 50 years of age. What are you going to do with them? Send them over the hill to the poorhouse? The system would never have been such an involved one as is the case with the Townsend proposition. How are you going to apply a law like that which levies a tax every time there is a transaction?

Mr. MASSINGALE. That is the reason I asked the gentleman the question. I am in thorough sympathy with the old-age-pension proposition.

Mr. FOCHT. Certainly the gentleman is. You can wipe away the tears from the old people. It is all over. We are going through with it. It is the biggest thing the President ever did, and it did more than anything else to elect him President of the United States, yet some of our leaders have not been able to see that yet.

Mr. MASSINGALE. I am in accord with the gentleman.

Mr. FOCHT. I feel very serious about this, because I tried to put it through the Pennsylvania Legislature, and I was turned down by the chairman of a Republican committee, who could not see the light, but party defeat came as the penalty.

Mr. MASSINGALE. One more question about evolution, and I will not bother the gentleman any more.

Mr. FOCHT. I believe in it thoroughly, if it means moral and spiritual progress.

Mr. MASSINGALE. So do I. Aside from the question of raising revenue with which to pay these people, what did the gentleman's bill do about such things as age, and whether or not the Federal Government would assume the liability, or would it be distributed as it is now among the States.

Mr. FOCHT. Our thought, as far as it went, was that the Government should take hold of the matter. At the present time you are investigating it. You are going to see more about the proposition, but finally we are going to put it into complete action. All the varying phrases could not be seen at the beginning, but it is all clear now, and we are finding a way.

No; Cordell Hull does not desire the kind of trade I have heard people refer to here. The kind of trade he talked to me about when he was developing his program on income taxation is not this kind of flexible tariff. He is not for free trade but for revenue only so that the money may flow freely into the coffers of the port of entry, with everybody buying at low prices while wages in America vanish. That is the Democratic program, and in America it is not working, and will not work, only to exhaust the reserve wealth of the country.

[Here the gavel fell.]

Mr. MASSINGALE. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania may proceed for 10 additional minutes.

The SPEAKER pro tempore (Mr. HILL of Alabama). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MASSINGALE. Mr. Speaker, I should like to ask the gentleman to answer another question, if the gentleman will yield.

Mr. FOCHT. I do not think I answered any of the gentleman's questions satisfactorily, so I do not know whether I can do any better now.

Mr. MASSINGALE. I am in full accord with the gentleman's sentiment. I was really seeking information. I have been an advocate of the obligation of the Federal Government to pay pensions if pensions are to be paid, but I wanted to know just what the thought was on the day you initiated in Congress the old-age-pension idea.

Mr. FOCHT. That was General Sherwood's idea as well as mine. He was a man not only of knowledge but of wisdom. I believe General Sherwood was a Democrat, but you would not have known it. [Laughter.]

Mr. ANDERSON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. FOCHT. I yield.

Mr. ANDERSON of Missouri. Will the gentleman tell us what General Sherwood's idea was?

Mr. FOCHT. Not as to a completed proposition. That would be hopeless in my brief time. There is no legislation on the statute books today of wide application but what has been amended, proving that there is no such thing as superwisdom on the part of anyone. When our laws come in contact with the laws of nature, there is an inevitable collision; and when we find errors in laws we come back here and correct them by amendments, which is what we will do with this.

Mr. ANDERSON of Missouri. Will the gentleman give me an outline of what the idea is?

Mr. FOCHT. I cannot go into that any more than to say that we are for relieving the people and the ultimate destruction of all the poor houses. Wipe away the tears of all the old men and women. Let them have comforts and happiness at home. There is plenty here in this world to take care of everybody. Everyone could have comfort and happiness. I repeat that poverty has abdicated.

There is no use of the gentleman and me getting into an argument or his taking my time on another subject now. It is all over. The gentleman is coming in too late.

I heard President Wilson say from this rostrum that under the Underwood tariff we could meet and beat Europe if American labor would speed up. "Whet your wits", he said; while Representative Redfield thought there was no further need of customhouses.

Mr. KNUTSON. He was Secretary of Commerce in President Wilson's Cabinet.

Mr. FOCHT. Yes; and wild for free trade.

But Samuel Gompers, the sincere and patriotic labor leader, said American labor could not compete with the wages of Europe unless we starved American labor back into the factories, which we refused to do.

We have more domestic commerce than the rest of the world combined, and that is the market for us to protect, and which must be protected if America is to ever again return to prosperity.

I venture to say that the greatest men of America, the wisest and most patriotic leaders of the North, South, East, and West, who helped make the Republic and helped preserve it, would not support the attitude of the President of the United States on this tariff question.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. FOCHT. Yes.

Mr. KNUTSON. I should like to call the gentleman's attention to the fact that under the operation of the reciprocal trade agreement law we wiped out a favorable trade balance of $235,000,000.

Mr. FOCHT. And the debt goes on increasing.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. FOCHT. Yes.

Mr. HOUSTON. I agree with the gentleman fully on the abdication of poverty, but in the event we cannot abdicate poverty, do you not think we ought to be good sports?

Mr. FOCHT. Kill them or what? Starve them to death or what?

Mr. HOUSTON. Sure, be good sports. That is what a very distinguished gentleman said the other night. If they lose, they ought to be good sports.

Mr. FOCHT. Who lose?

Mr. HOUSTON. Anybody.

Mr. FOCHT. I do not play poker, so I do not understand what the gentleman means.

Mr. HOUSTON. It is one of the greatest of indoor sports, they tell me.

Mr. FOCHT. Yes; so they tell me. I would not be here if I knew how to play it.

Mr. HOUSTON. Who would?

Mr. FOCHT. I would never have had time for anything else, because they tell me it is very fascinating.

From the Constitution adopted for the whole country to the constitution adopted by the Republic of Texas in 1836, to the Confederate Constitution in 1861, and the administration of James Buchanan, and the business interest and labor organizations on through, we have the intelligence, patriotism, and chivalry of America standing for tariff protecting industry and labor, as well as for the Constitution and the Supreme Court.

You will not deny that.

Every one of your ancestors, your fathers, from whose loins you got all this fine character and intellect, from Texas to Canada, were for these fundamental things, and we are not going to abolish them now either.

Nothing stands out in the heroism of the world in greater or more majestic figures than the men who made the constitution of the Republic of Texas as well as defended it; nor do I anticipate that there is going to come from the South any such voice of destruction, any such thing as will repudiate that for which brave men led heroic armies over many States in an effort to establish a constitution; nor are men and women anywhere who believe what the flag typifies and symbolizes going to see it profaned or taken down and laid away to accommodate the whim and caprice of a single individual who seems unmindful of the scourge his act may bring to plague and distract a people who have sacrificed beyond estimate that the heart of liberty may beat on in courage during the trials of the future.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield for a brief question?

Mr. FOCHT. I yield.

Mr. HOUSTON. Does the gentleman believe in a fair protective tariff on commodities produced in this country—not a prohibitive tariff, but a fair protective tariff?

Mr. FOCHT. I will tell the gentleman what Mr. Hull said, and this is his theory. He said, "FOCHT, there is no use of your talking about this thing of raising enough money by a tariff to run this country." We were living at the same hotel and he said, "We are right now voting $1,000,000,000 and that is what it is costing to run this country and you can only raise $600,000,000 on a balanced tariff. If you bring in too much, you flood the market and if you do not bring in quite enough, then you do not raise even the $600,000,000. We have got to raise it in some other way." Then came his brilliant conception of taxing the man who has the money. The only trouble about that is you have gone too far and you are taxing the poor devil that does not have any money, and I am one of them. I have been in the red for 4 years and they are taxing me up home with several different kinds of new State taxes every time I go home.

Mr. HOUSTON. One little tax more, would not hurt. For instance, in the importation of crude oil, we have fought for years to get a protective tariff of from 85 cents to $1 a barrel, and after all these years we finally have 21 cents. Would the gentleman be in favor of raising that to $1?

Mr. FOCHT. I would have that measured up somewhat with the consumption of oil and its cost and the need of it, and so forth. There is a way to balance that.

Mr. HOUSTON. We have plenty of oil in this country now. We are all on allowables.

Mr. FOCHT. But I will tell the gentleman what I am not in favor of. I am in favor of this Congress sitting across the table with you and having you ask the question and having it answered, but I am not in favor of this 50-percent allowance made to the President in a flexible tariff to run it up or down so that the businessman will not know how much tariff he is going to have tomorrow or how small it is going to be the next day. We must have a fixed tariff and adjust ourselves accordingly. This is a fundamental principle of the tariff.

Mr. HOUSTON. But in the case of our oil, we are under allowables now.

Mr. FOCHT. Oil is a very liquid, movable, and uncertain thing.

Mr. HOUSTON. We have from 5 to 10 percent production out there today.

Mr. FOCHT. Where?

Mr. HOUSTON. All over the Middle West, and I think we ought to have a higher tariff.

Mr. FOCHT. Does the gentleman believe in very much more tariff on gasoline when it is produced at 3½ cents a gallon and you sell it to me in Pennsylvania for 20 cents? Are you not getting your piece out of it?

Mr. HOUSTON. Not enough, and they are using it for other purposes now.

Mr. FOCHT. Yes; I guess they are. [Applause.]

THE STRIKE EPIDEMIC

With better days coming out of the tall timber, and the cycle of hard business traveling having finished its evil attack upon about everyone and everything, it is not strange that thousands of workers are having a sit-down strike, or suspension of labor, until they may have their wages adjusted somewhat more in harmony with the higher cost of living and the reduced purchasing power of the dollar.

This strike business is epidemic in its scope, and goes from automobiles in Detroit to grub at the Willard and Mayflower Hotels in Washington, to the silk-mill girls of Japan, and stocking factory out on the District of Columbia line, to say nothing of what was threatened in a strike gesture toward the United States Steel and Hershey's chocolate factory.

While the workers seem in good humor over their prank of a sit-down strike, it is nevertheless expensive pastime for them as well as the employers. At that there is good cheer because of the readjustment made necessary in wages of workers on account of the depreciated dollar. In fact, we are having a very good sample of inflation, which will do no harm, providing it does not go too far

and the credit of the country should crack. The Federal Reserve was supposed to be able to control the flexibility of circulation, and that will be all right as long as confidence is maintained.

The greatest fear here in Washington is over the danger of again becoming smeared in with Europe in the war preparations which are speeding up over there and the possibility of falling for the profit there will be in selling them supplies and furnishing money by detouring the Johnson law, or slipping our resources under the fence, which might be characterized, via Veracruz. Very earnest effort is being made by officials and laymen who are resolved that two things must not happen, to wit:

America must not become involved in the European war, which is now imminent.

America must not advance to European nations our reserve resources for war purposes.

B. K. F.

WASHINGTON, D. C., *March 10, 1937.*

[Here the gavel fell.]

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet Monday noon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. HANCOCK of North Carolina. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting an article prepared by Col. Frank P. Hobgood, on the Infallibility of Majority Court Decisions.

Mr. KNUTSON. Mr. Speaker, reserving the right to object, what is the article?

Mr. HANCOCK of North Carolina. It is an article prepared by Col. Frank P. Hobgood on the Infallibility of Majority Decisions and refers to the President's Court proposal.

Mr. KNUTSON. Who is Colonel Hobgood?

Mr. HANCOCK of North Carolina. He is an attorney at law living in Greensboro, N. C., and during the Wilson administration was special assistant to the Attorney General.

Mr. KNUTSON. I have no objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

OATH OF OFFICE OF THE PRESIDENT AND MEMBERS OF THE HOUSE

Mr. MOSER of Pennsylvania. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MOSER of Pennsylvania. Mr. Speaker, on last Saturday I received a letter in the mail that came from an institution of higher learning, and just as I was about to cast the letter aside I noticed the oath that is administered to every Member of the House of Representatives. This was followed by the oath administered to the President of the United States. This attracted my attention and, reading it through, I found that this professor of economics undertook to castigate the Members of Congress and the President of the United States as violators of their oaths, holding them to be felons guilty of perjury. Included in the letter was a charge to a jury by a Federal judge, in which he invoked one of God's commandments to Moses to point out that he who would take the name of God in vain was guilty of perjury, and that perjury was worse than murder.

I felt such a keen resentment that I ascertained who this professor of economics was. He proved to be Gus W. Dyer, professor of economics at Vanderbilt University, Nashville, Tenn., and in my spirit of resentment and in defense of the Members of Congress and the President of the United States, and all people who take oaths in accordance with their conscience, I felt called upon to write him a letter. I have shown this letter to some of the Members of the House who have asked me to include it in the RECORD.

My purpose in asking this time at the present moment is to include Professor Dyer's letter, my answer, and one to the chancelor of Vanderbilt University, transmitting an advance copy to the university's head for his information as well as the trustees.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

NASHVILLE, TENN., *March 11, 1937.*

To the Representatives in Congress:

Since under the new order it is now considered a proper function of Congress, a subordinate agent of the Government, to change, radically, anything in the Constitution that may be displeasing to the President, another subordinate agent of the Government, I am appealing to you to support an important change that has been almost completely overlooked.

The Constitution, as you know, requires every Congressman and every other public official to take an oath to uphold the Constitution before they are permitted to perform any function of their offices. Even the clerks of Congress, the Sergeant at Arms, the doorkeepers, and the postmasters are required to take this oath.

The nature of the oath each Congressman is required to take is significant in a peculiar way at the present time. The oath is as follows:

"I do solemnly swear that I will support the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties of the office on which I am about to enter, so help me God."

The very words of the oath that the Chief Executive is required to take are given in the Constitution:

"I do solemnly swear that I will faithfully execute the office of President of the United States, and will to the best of my ability preserve, protect, and defend the Constitution of the United States."

To claim that the subordination of one of the three coordinate departments of the Government to the other two is consistent with the above oaths is too absurd and puerile to be given consideration by intelligent people. To make such a claim is a serious reflection on the man who makes it as well as on those to whom it is addressed.

The question here involved is far more serious than any change that might be made in the Constitution. The question is, Shall public officials knowingly, openly, and defiantly violate the sanctity of an oath?

Therefore I am requesting you to introduce a bill at once to repeal the provision of the Constitution that requires public officials to take an oath, and to repeal all laws that require witnesses and jurors to take an oath in courts of justice. Of course, you have no right, under the Constitution, to introduce such a bill. But we are not operating under the Constitution now. Hence the way is open for anything. If the oath is repudiated by public officials, it is hypocritical and preposterous to make such repudiation a felony as applied to witnesses, jurors, and others.

If public officials are too weak morally to carry the obligations of an oath, the oath should be abolished and a "big stick" wielded by a strong arm be substituted in its place.

The violation of the sanctity of an oath by public officials is a deadly blow at the very foundation of civilized social order, and in addition it is flagrant insult to the Deity. The oath has been considered the supreme binding force on every man worthy to be called a man. The violation of the sanctity of an oath has been considered so antagonistic to every conception of honor and manhood that it has been made a felony by civilized governments.

That you may better understand the chaotic condition under which we find ourselves at the present time, I will call your judicial notice to a charge to a jury delivered by a distinguished Federal judge some years ago:

"Gentlemen", said the judge, "there can be no more solemn obligation (the oath). Upon the first table of the law delivered by the Almighty to Moses amidst the thunders of Sinai was inscribed the commandment, 'Thou shalt not take the name of the Lord thy God in vain, for He wilt not hold him guiltless who taketh His name in vain.' That commandment as interpreted by the old Jewish rabbis and the best Biblical scholars of the past and present is primarily a commandment against perjury. The reason why it, alone, of all the commandments is coupled with the declaration that the Lord will not hold him guiltless who violates it is doubtless because it is a willful insult to the Almighty to call upon Him to witness to the truth of a deliberate falsehood. Gentlemen, I think perjury is worse than murder, and that is why I call attention to the responsibility and the solemnity which rests alike upon you and upon me to do our duty."

Yours sincerely,

(Signed) GUS W. DYER.

Vanderbilt University.

MARCH 13, 1937.

GUS W. DYER,
Professor of Economics, Vanderbilt University,
Nashville, Tenn.

DEAR MR. DYER: Immediately on receipt of your mimeographed letter dated at Nashville, Tenn., March 11, 1937, I called the Honorable RICHARD M. ATKINSON, representing the district comprising Nashville, in the Congress of the United States, and learned the scope of your connection on the faculty of Vanderbilt University.

Since you are located in a district that is distinguished by having sent to the Congress of the United States as its first Representative, Andrew Jackson, I could wish no more for you than that it might have been possible for that sterling American to be here in the flesh at this time to observe the product of your institution of higher education and deal with you, its professor of economics, in keeping with his established reputation for courage.

I can scarcely find superlatives to adequately express my contempt for the opinions you express and the conclusions you have reached in the matter of the consciences within the breasts of those who are here, honored by their respective districts to represent them in the Congress of the United States, to say nothing of the greatest expression of confidence ever given any other man than bestowed by the American people upon Franklin Delano Roosevelt, President of the United States.

"Your conscience is the minister plenipotentiary of God Almighty placed within your breast. See to it that he does not negotiate in vain." So quoth John Adams.

Whatever the conscience placed within your breast, it has manifestly been warped and twisted by a bigoted judgment, highly prejudicial to the profession you follow, that of teaching others.

Your quoting of a charge to a jury by a Federal judge, embodying that commandment of God to Moses, involving the taking of His name in vain, borders on the assumption of the role of demagogue, particularly when imputing the judge's opinion, "that perjury is worse than murder", to apply it to the use of your own sinisterly prejudiced purpose of charging the President of the United States and Members of Congress with perjury in your fancied conception with breaking their oath of allegiance to the Constitution of the United States. Your holding the legislative and executive branches to be subordinate branches of the Government, and quoting of the oath taken respectively by Members of Congress and the President of the United States, leaves but one conclusion, that by excepting the judiciary and their oath, you hold the judiciary "supreme." The legislative and executive departments are subordinate to the people alone, while the judiciary and Executive are responsible and subordinate, through impeachment, to the people, under the powers of Congress.

Ensconced as you are in smug complacency on the faculty of an institution of higher education, you assume to quote in your letter the oath taken by Members of Congress, and that set forth in the Constitution of the United States, by which oath each President of the United States has assumed the duties of his high office. Disregarding the past, you assume to say that the Members of this Congress and the President of the United States are the perjurers—worse than murderers—who are in your bigoted opinion and warped and twisted judgment the only ones to break these two forms of oath, since you impute it to no one else, but those now living whom you call upon to introduce a bill to abolish every form and purpose of an oath.

You are either too ignorant, or too lazy, or both, to know or find out that the judiciary must, too, take an oath prescribed by law and before entering upon their duties. That your energies may not be taxed to the point of exertion, or the state of your lassitude and inertia need not be disturbed, I quote you the judiciary oath from section 712, Revised Statutes of the United States, as follows:

"I, ——— ——— ———, do solemnly swear (or affirm) that I will administer justice without respect to persons, and do equal right to the poor and to the rich, and that I will faithfully and impartially discharge, and perform all the duties incumbent upon me as ————, according to the best of my abilities and understanding, agreeable to the Constitution and laws of the United States: So help me God."

May I not commend to your thought, if you are capable of thinking at all, the words, "do equal right to the poor and to the rich", and, "I will faithfully and impartially discharge, and perform all the duties incumbent on me", and, "according to the best of my abilities and understanding", and, "agreeable to the Constitution and laws of the United States."

When a law of the United States conflicts with the sinister overprivileged interests of the rich "economic royalist", the judges call the law unconstitutional, according to their best abilities and understanding. It is then, such as you, with no regard to the impairment of abilities attendant on old age, undertake to castigate Members of Congress for passing the laws of the United States, and its President for approving them, as breakers of the respective oaths of office they have taken, and invoke one of the Ten Commandments to tell us we are worse than murderers.

Let me point out to you that Governor Hughes, now Chief Justice, once said: "We are under a Constitution, but the Constitution is what the judges say it is."

Let me also tell you that the late and Honorable James M. Beck, a former Member of Congress and one-time Solicitor General of the United States, an eminent and outstanding constitutional lawyer, up to his death a year ago, in his own writings, styles the Supreme Court: "Virtually and chiefly a continuation of the Constitutional Convention of 1787."

Let me say to you that I have never found anywhere a finer and more sincerely conscientious group of men and women collected, than here in the Congress of the United States. Each is individually honest in their own convictions and the "minister plenipotentiary of God Almighty within each breast is not negotiating in vain." There are no starry-eyed idealists and wild radicals here. Such exist only in the figment of the imagination of the demagogue ever willing to appeal to and arouse the populace. The same thing, too, applies to the President of the United States. To these, each and all of these, you impute a crime worse than murder.

If the influence of your incompetent, warped, and twisted judgment is reflected in the students of the institution standing for you on its faculty, I am happy to say that "Dick" Atkinson has cast aside and left behind him the contamination of the influence of your teaching.

"Shoemaker, stick to your last." Professor, stick to your own economics if Vanderbilt University can stand for such as you, but let politics and statesmanship to men of a greater breadth of vision than that manifestly possessed by you as exampled in your contemptuous letter.

With revulsion, I am

Disgustedly yours,

GUY L. MOSER, *Member of Congress.*

MARCH 13, 1937.

The CHANCELOR,

Vanderbilt University, Nashville, Tenn.

MY DEAR SIR: This morning I received a mimeographed letter, similarly sent every Member of Congress I have had time to contact today. Most of them withdrew the unread insult from the wastebasket after I had directed their attention to it. This letter was dated at Nashville, March 11, 1937, and was mailed in an envelope bearing the postmark of the post office at Nashville, Tenn., 5:30 p. m., March 11, 1937.

The letter was signed by one Gus W. Dyer, Vanderbilt University. Immediately contacting Congressman ATKINSON, of Nashville, an alumnus of your university, I learned that Gus W. Dyer is the professor of economics at your institution.

His letter was most insulting, imputing to all Members of Congress that we are violators of our oaths of office as is also the President of the United States, and by the quoting of our oath as well as that of the President, he further quotes a Federal judge's charge to a jury invoking one of the commandments of God to Moses and holding perjury worse than murder, to impute to us and each one of us a felony worse than murder.

I feel no personal grievance against Vanderbilt University as a consequence of this subversive attack, unwarranted as it is, on the integrity of the President of the United States and all Members of Congress, and before taking the floor of the House to denounce this man for his impudence, causing the insertion of his letter, my response thereto and a copy of this letter, in the CONGRESSIONAL RECORD, I am sending you an advance copy, in all fairness to you and your board of trustees.

Very truly yours,

GUY L. MOSER, M. C.

Mr. MOSER of Pennsylvania. Mr. Speaker, we hear much reference to the teaching of subversive doctrines and principles. If a professor of economics in an institution of higher learning had the gall and effrontery to cause such letters to be sent through the mails, what can he be teaching? I leave it to the discernment of the House. Professor Dyer is also a representative of the National Association of Manufacturers, in whose cause and in whose interest he uses the radio to broadcast his ranting expletives.

Mr. Speaker, I yield back the balance of my time.

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent, if I desire to do so, to incorporate in the RECORD my reply to Professor Dyer, who wrote me a similar letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BEITER. Mr. Speaker, a few moments ago I addressed the House on the life of Grover Cleveland. At that time I asked unanimous consent to extend my remarks but I failed to ask permission at the time to include therein several small excerpts by Robert L. Archer under the title "The President Who Came Back" in connection with the life of Grover Cleveland, and I do so now.

The SPEAKER pro tempore. Is there objection,

There was no objection.

A DOLLAR IN THE HANDS OF SELFISH GREED AND MONEY MONOPOLY IS MORE DANGEROUS, MORE POWERFUL, THAN SHOT OR SHELL, THAN SWORD OR GUN

Mr. BINDERUP. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BINDERUP. Mr. Speaker and fellow Members of Congress, I first wish to take a few moments to pay tribute to Governor Murphy, of Michigan, prompted by the disparaging remarks recently made by the gentleman from Michigan [Mr. HOFFMAN], who preceded me on the floor. I believe I am just one of the many millions of citizens of the United States who honor and appreciate Governor Murphy

for what he did in the settlement of the General Motors strike. I believe that I am just one of the millions that appreciate his humanitarian plan and method whereby he settled a strike when we were trembling for fear that it might lead to bloodshed and revolt.

This recent history of Michigan's honored Governor reminds me of a great citizen of France. The people called him Mirabeau the Peacemaker, and they said of him, "If only our Mirabeau could have lived, there would have been no French revolution." And I believe they were right. I believe in offering a tribute to Governor Murphy and President Roosevelt in the peaceful settlement of this threatening strike that I speak the sentiment of 80 percent of the people of our Nation.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. BINDERUP. Not now. I know what the gentleman wants to say. But just wait until I get through and then I will give him the privilege of saying it.

Mr. KNUTSON. The gentleman must be very wise; I am sure he knows what I am going to say.

Mr. BINDERUP. I do know, because I have listened so much to the gentleman from Minnesota for several years, and I know what he is going to say, and I would like to answer it a little later, after I finish.

Now, Mr. Speaker, I desire that my subject should not be considered a political issue. I would like to refer also to the gentleman from Pennsylvania [Mr. FOCHT], who spoke immediately before me. He asked a very striking question, honestly and conscientiously I believe, when he called attention to the fact that we have not eliminated the poverty and misery of the United States, and asked why we had not been able as yet to bring our great Nation back to normal. I wish to give my own reasons for that. It is because we have never analyzed the case, and we have never yet discovered the cause in this Congress of this depression.

But the Republicans and the Democrats are alike to blame. I remember a few years ago when the Republicans were trying to cure this depression, and they suggested as a remedy to build prosperity from the top and down, telling us that in this way the money would dribble down to the farmers and the working people, and thus prosperity would be returned. I have often said, and I wish to repeat it once more, that you cannot build prosperity, my friends, from the top and down, any more than you can build a 10-story brick house and build the top story first. You have to build from the bottom and up. We tried it during the Republican administration. We experimented.

First we gave to Mr. Dawes' bank $90,000,000, and waited and hoped that it would dribble down. But it never dribbled. It stayed right in Mr. Dawes' bank, locked up. It never moved. Then do you remember that they gave to the Missouri Pacific Railroad millions of dollars because, we said, the money would dribble down and give work to the laboring people? But it never dribbled.

And then do you remember that J. Pierpont Morgan stepped in and said, "I'll just take that money myself"? We said, "Wait a minute, John. Now listen, you can't do that. We gave those millions of dollars to the Missouri Pacific in order to create work, in order to make the railroads safe, that the public might travel in confident safety, in order that labor might have employment. You can't take that away from us." But Mr. Morgan replied, "The bonds are due." And we said, "All right. I guess that's right, Mr. Morgan. Go ahead." And do you remember he invested this money in Europe? Again we went to Mr. Morgan and said, "Now, listen, John, you can't take our money and invest it in Europe. That money belongs down there in Missouri. That's what we gave it for. You can't take that money and send it over to Europe." Mr. Morgan replied, "Investments in Europe are safer now than they are in the United States." And again we said, "I guess that's right. Investments are not very safe here."

We did not take the trouble to stop and tell J. Pierpont Morgan who it was that had made investments unsafe over here, who it was that had taken the money away from the people and wrecked our Nation.

THE CRIME OF 1920

And now, Mr. Speaker and fellow Members of Congress, I wish to return to the subject I had intended to discuss this afternoon. There is an old, old saying that peace has its horrors as much as war, and by this I mean to refer once more to the crime of 1920, the greatest crime that was ever committed against the people. On former occasions and appearances before this House, on February 16 and March 4, and more or less at other times, I told you of this crime that was committed at 12 o'clock noon on the 18th day of May 1920 in the office of Governor Harding, Governor of the Federal Reserve Board of the Federal Reserve bank, where a secret meeting was being held, consisting of 53 of the large banking representatives of the United States, international bankers and representatives of Wall Street, and also Mr. Houston, the Secretary of the Treasury, and John Skelton Williams, the Comptroller of the Currency, ex-officio member of the Federal Reserve Board of the Federal Reserve bank at that time. Since that time, however, the Comptroller of the Currency and the Secretary of the Treasury, the representatives of the people, have been removed, as they were apparently in the way of the large bankers and interfered with their program.

I have in my possession the records of the minutes of that meeting. There is no longer any question about it. It is strange to me that the people of America have not long since known exactly how it is, and why it is, that this disastrous calamity, this depression, was brought upon us. This was the twenty-fifth time that we had suffered from these depressions, all coming from the same source, all man-made. Every depression is man-made, and yet we did not understand.

Everybody said and whispered to each other, "Isn't it strange? What in the world is the matter? We seem to have too much of everything, and yet we are in want. We have too much to eat and to drink, too much of the necessities of life, too much of the luxuries, and everything, but we can't have it." Yes, my friends, we are sitting upon the largest pile of gold that has ever been accumulated in the history of the world in any nation; actually sitting upon this pile of gold, surrounded by all the natural resources that an Almighty God could give to man, in a nation with unlimited credit and unlimited wealth, and yet the farmer is losing his farm and the laboring man is losing his home. Fifteen thousand banks failed, destroyed eight billions of the people's savings. And all about us there are bankruptcies and misery and want and despair, soup kitchens, and bread lines.

And then the people of our great Nation would look at each other in surprise and say, "I can't understand it. It's the strangest thing that I ever heard of. How can it happen that we are suffering of poverty in the midst of plenty?"

My friends, believe me, there is only one reason. It is because they had that meeting on the 18th day of May 1920 in Governor Harding's office, where they took away from the people their money, the lifeblood of trade and industry and the wheels of commerce. I wish I could shout this from the mountaintop until the people of our great Nation might know and understand. I assure you that there would then be a change before morning if the people only knew.

It was Henry Ford who said, in substance, this: "It is perhaps well enough that the people of the Nation do not know or understand our banking and monetary system, for if they did I believe there would be a revolution before tomorrow morning."

I told you in my last talks the substance of the conversation that took place at this meeting, and one of the first days direct from this floor I will tell you the name of every banker who was there, representing the interests of the Morgans and the Mills and the Myerses and the Mellons and the Rockefellers and the Du Ponts and the large corporations and money monopolies.

I will tell you this emphatically and definitely, taking it from the records of that meeting. I told you that John Perrin, of California, arose and suggested that we could take away from the people two billions of their money, money that measures the sweat of the brow of man, money

that measures the remuneration of labor and the products of labor, according to its own abundance, by comparison. I told you why they wanted to make money scarce, as thereby they could increase the purchasing power of interest, so it would crowd down the price level of labor and the products of labor, and so that interest could buy more, as it was a fixed charge.

I told you of the objections to this from John Skelton Williams, the Comptroller of the Currency. And let me add that there were two of the big bank representatives there who objected strenuously, also, because they thought it too drastic a measure, but they were in a vanishing minority. I told you how these bankers meant to crush down the price level. They did not mean to destroy the Government exactly. No; they rather disregarded the Government and disregarded the people. All they wanted to do was to enrich themselves.

I told you about the great inflation that we had during the war and after the war, when we were on a single gold standard that they preached so much about, that was so safe, when we had the greatest uncontrollable inflation this country has ever had, and yet, let me remind you again, on a single gold standard. And we had another cause and we still have it, that silly, strange, foolish, incompetent, childish monetary system and banking system, whereby the banker was allowed to deposit these bonds in a certain drawer in any Federal Reserve bank, draw his interest in full semiannually, and draw every dollar in cash besides, and then take these dollars and loan them 10 times to the public, each time drawing interest on every dollar, even the dollars he did not have. Such a monetary system cannot possibly mean anything but bankruptcy every few years.

Now, these bankers knew they could not change the figures on their bonds and obligations, but they knew another way. They tried 24 times before in the United States and in other nations. Every economic writer told them, "Just crush down the price level, and interest, remaining stationary, will have the purchasing power back again."

And, friends, I want to repeat once more and warn you that you cannot crush down a price level, after you have done business for a number of years on a certain price level. You bought and sold your farms and homes and your goods on the shelf. Every obligation and future contract is based on this price level. You cannot crush a price level down unless you bring in return to the people starvation and deprivation and misery and want and soup kitchens and bread lines.

But these men were not considerate of the Nation. They belonged to the class that say by their actions, "We do not care for the Almighty God. Just give us the almighty dollar. All we want is that interest must have a greater purchasing power." Let me once more repeat the words of Governor Harding. It is so striking, my friends, that I know you will welcome a repetition. Mr. Harding was the Governor of the Federal Reserve Board of the Federal Reserve banks, and presided at the meeting on this, the 18th day of May 1920. Let me once more quote from the record of the meeting, as follows: First, "We must have a reduction in credit, a credit contraction" (meaning thereby taking the money out of circulation. And then he added (again quoting from the record of the meeting), "This is a drastic remedy, but we believe it is necessary."

He knew and they all knew, and we know it now, that this was a drastic remedy. He knew what it meant to crush down the price level. He said, "It is a drastic remedy, but we think it is necessary." We know that it was not necessary, except for those who wanted to enrich themselves at the expense of suffering humanity. The words I have given to you, remember, are copied from the records of the meeting.

Now, just consider what happened to the people of the United States after this meeting on the 18th day of May 1920, that I have described to you. In order to show you the direct reflex, the effects, of that meeting, let me take myself for an example, for I represent one of the 125,000,000 people that suffered thereunder. In stating my own experiences I am merely stating yours. In fact, I am just reviewing and reminding you of what took place in your own community, in your own home, and on your own farm.

I had always been a big borrower in my home bank. I was always quite a developer, doing considerable building, and employing quite a few men. One bright summer morning, in the following month of June, I came in to my banker as usual, to renew my note and to pay my interest. My good old banker, with whom I had done business for 20 years——

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. HILL of Washington. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. BINDERUP] may proceed for 10 additional minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BINDERUP. My old banker said to me: "Charlie, how about paying this note?" I looked at him in surprise. I said, "Why? Do you not want me to do business with you? You are not afraid of me, are you? I have just given you my property statement. I am worth more than I have ever been worth before in my life, and business is wonderful. Profits are good. Do you not want to do business with me any more, or why do you want me to pay this note?"

The old gentleman smiled and turned to his desk and got a letter. He handed it to me and asked me to read it. The letter was from the Federal Reserve Bank of Kansas City; that is our bank in my district. I read the letter, and now let me tell you what was in that letter. Let me repeat that every banker, member bank of the Federal Reserve, and most other banks, received a similar letter. Those that did not belong to the Federal Reserve bank were supposed to be influenced by the letter just the same.

The letter from the Federal Reserve Bank of Kansas City said to my banker, and to your banker, that they were restricting credits; that they had raised their rediscount rate to 7 percent minimum in Kansas City and as high as 20 percent, considered penalty interest, if the borrowings were not reduced, loans classed by the Federal Reserve banking system as "unessential loans." Seven percent minimum—that was more than I was paying my banker for the use of the money. The letter also said that they had restricted the number of loans that were called these "nonessential loans"; that there were many things whereon they had rediscounted paper before that they would not rediscount any more. This made it impossible for my banker to rediscount a great deal of his paper, and so he had to collect and pay up.

After I had read the letter my old banker said to me, "Now you understand. Don't you see why it is I am asking you to pay your note? It is so that we can pay our obligations to Kansas City, in order to eliminate the impossible interest that we have to pay, and reduce our indebtedness with them." I understood, so I started to spread the fire of contraction of credit and money. I went out and said to everybody who owed me, "Pay up. You must pay up." And everybody else went out—hundreds went out, thousands went out, millions went out. Everybody said to everybody else, "Pay up. Pay up." And so we began to force collections among each other. We sued each other. We abused each other. We trampled upon each other in the mad scramble for money, in order to get hold of a little miserable cash, so that we could pay up. I sold the last house I built for less than cost, in order to pay up, sacrificing, as everybody sacrificed, to follow the edict that had issued forth from that meeting of the Federal Reserve Board of the Federal Reserve bank at 12 o'clock on the 18th day of May 1920, which edict was issued to the 12 Federal regional reserve banks of the United States.

And with this demand to pay up, farmers threw everything they had on the market. They sold their eggs finally for 5 cents a dozen, their butter for 10 cents; they sold their hogs for 2 cents, shoats for 1 cent a pound. They sold wheat for a quarter, and oats for 11 cents. They threw everything they had on the market and congested the market, in this campaign to pay up that issued from the Federal Reserve Board of the Federal Reserve banks in Washington, D. C.

And the merchants sold their goods, emptied the shelves, and congested the market, in an effort to pay up. They

discharged their clerks to pay up, and, since they were unable to buy for lack of money, the factories closed down and discharged their employees, and thus was once more crucified on the cross of gold—money—the farmer and the laboring man, their purchasing power and consuming power paralyzed because they had that secret meeting on the 18th day of May 1920, these wizards of finance, these hounds of monopoly and vultures of greed.

They took away from us the circulating medium of exchange, the lifeblood of trade and industry, our money and our credit. And so the campaign to pay went on and on. Every time we paid the banker a dollar, he sent it to the Federal Reserve banks to be destroyed, burned up, or perhaps not exactly burned, but thrown into a vault and locked up, which means the same thing so far as the money is concerned. It might as well have been burned.

Or else the banker locked it in his own vault, in order to make his bank safe, to increase his cash reserve. And even with their best efforts, 15,000 of our banks went broke, and all of them would have gone broke had we not come to the rescue in 1933. And the check-book money, based on credit—it vanished like the dew before a summer sun. And so the campaign went on and on, and in a short time it reflected more drastically on agriculture, because agriculture has no protection. Its prices are decidedly governed by supply and demand. The farmers were selling their products for one quarter of the cost of production. It could end only in bankruptcy. And so it followed; farm after farm was sacrificed on the block of bankruptcy. Thousands and hundreds of thousands went into bankruptcy, until at the present time, as I said in the beginning, peace has its horrors no less than war.

A dollar in the hands of selfish greed and money monopoly is more dangerous, more powerful than shot or shell, than sword or gun. The old unequal battle went on and on. The power of capital and predatory money monopoly, centralized in the modern Frankenstein, the Federal Reserve Banking System, privately owned, against the toiling masses, the great producers of all wealth.

Now let me reply once more to my good friend, the Congressman from Pennsylvania, Mr. FOCHT. In answer to his question, let me repeat that the reason we have not overcome this disastrous depression is because we have not all yet recognized what the trouble is. We do not know the cause. We are like children groping in darkness. And until we know the cause, we can never effect a cure. We have failed to recognize the fact that money measures value by its own abundance. We have failed to recognize the function of money that measures the sweat of the brow of man. We have failed to recognize the little old principle of Adam Smith. They called him the father of political economy, when he said, in common language—

> When you double the amount of money in circulation, you double the price of everything, and thereby you divide your debt in two, because it takes only half as much labor and the products of labor to pay the same amount of debt.
>
> If you divide the amount of money in circulation, half as much, you divide the price of everything. By dividing the prices on everything, you double your debt, because it takes twice as much of labor or the products of labor to pay the same amount of debt.

A little simple example that is true in principle.

And now, my friends, I want to return and repeat once more those outstanding facts relative to the crime of May 18, 1920, when the people were robbed of their money, the lifeblood of their trade and commerce, that bankrupted the Nation. I want again to recall the words of the Comptroller of the Currency, our old, white-haired friend, John Skelton Williams, the ex-officio member of the Board, the great friend of humanity, when he once more warned the Federal Reserve Board of the Federal Reserve bank, and said to them, in substance, this: "Gentlemen, you cannot take away from the people their money. Don't you realize they have promised to pay in dollars, and even now there exists less than one-tenth of the amount necessary to meet the people's obligations? Don't you realize our banking system is built on a foundation like a mist, a cloud, or a shadow, a little spark called confidence, that exists only in the brain of man, and that when you take away from the people $2,000,000,000, one-fourth of the basic money of the Nation, you will snuff out this little spark, and the whole financial system will fall and you will bankrupt our banks and wreck our whole economic system?"

They answered him and said—and by the way, they are still saying the same thing, and there are those in Congress who are helping them say it; it is the sole object of Wall Street, and I speak of Wall Street as a symbol of human greed, as it is considered in the minds of the American people—they answered him and said, in substance, this: "We have too many small banks, and what we need is a strong chain system of banking", implying, with headquarters in New York and Wall Street, the cancer at the heart of our great Government.

And once more John Skelton Williams arose. Let me again repeat. It is so important. It sets out the fact so absolutely and definitely. He said to the members of the meeting in substance this: "Don't you see that the farmers and the laborers have mortgages on their homes and farms, and that they will wake up some morning and find all that is left of their homes and farms is the mortgage, and some day they will know that by creating this scarcity of money you thus wiped out their equity?"

But the meeting went on practically undisturbed except for the objections of John Skelton Williams and one or two other bankers who as yet had not had all of their conscience removed.

Mr. HILL of Washington. What was the reply to John Skelton Williams?

Mr. BINDERUP. Oh, yes; the reply to John Skelton Williams was in substance this: "The farmers and laborers have made a lot of money throughout the war and after the war, and they will stand the shock." They knew it was a shock. Yes, Governor Harding, of the Federal Reserve Board, said, at the meeting, "This is a drastic remedy, but we believe it is necessary."

Mr. COLDEN. Will the gentleman yield?

Mr. BINDERUP. I yield to the gentleman from California [Mr. COLDEN].

Mr. COLDEN. The gentleman has referred to a certain meeting May 18, 1920. I would like to ask the gentleman to include in his remarks a copy of those minutes which may be pertinent to the speech he is making, including the names of the representatives who were present.

Mr. BINDERUP. I thank the gentleman very much for his suggestion and his contribution. In reply, may I say that the minutes of this meeting are very long, and would take up a number of pages of the CONGRESSIONAL RECORD, which I fear might be objectionable.

Mr. COLDEN. Just include the parts that are pertinent to the gentleman's remarks.

Mr. BINDERUP. Yes, I am including these in my remarks; and one of the first days, from this floor of Congress, I will give you the name and business connection of each banker present.

Mr. Speaker, in conclusion may I say the remedy, it is a glorious remedy—the cure, and it is a simple cure—for these disastrous depressions that have wrecked our great Nation 26 times, lies in knowledge that is light and wisdom that is power. By the past we shall know the future. The past is the prologue. Know the cause of these disastrous depressions, and know that all depressions, all panics, are man made, just by a few men interested in keeping the control of money; inflating by bankers lending a credit money, fountain-pen money, figures on the book, lending dollars that do not exist, that have never been made; lending an intangible thing, a vision, a dream of a dollar, and then asking payment in something else—a dollar that is tangible, it has never been made, it does not exist. Impossible my friends, impossible; inflating by the use of the debt of the United States—Government bonds and the debts of the people as the basis of our money—inflating and raising prices to an unreasonable level, and then all at once having a meeting, as they did in Washington, D. C., on the 18th

day of May 1920, and taking away from the people this bankers-credit money, based on debt, contracting thereby our currency, and collapsing a great nation from the highest plane of prosperity to the lowest level of deprivation and starvation and misery and want.

Mr. Speaker, I know there are millions and millions of people of our great Nation that will welcome, and shout back "Amen", when I make the following announcement. A challenge has just been issued to predatory wealth, to Wall Street, and to international bankers. A bill has just been introduced that demands in no uncertain terms that this sacred right and privilege, this constitutional guarantee to the people, that Congress shall coin and regulate the value of their money, has been included in the bill that has just been introduced in this Congress. So the great battle is on.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. BINDERUP. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include therein a letter written by former Senator Robert L. Owen.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 217. Joint resolution providing for the construction and maintenance of a National Gallery of Art.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill and joint resolution of the House of the following titles:

H. R. 1096. An act for the relief of Michael E. Sullivan; and

H. J. Res. 272. Joint resolution to authorize the Administrator of Veterans' Affairs to accept title for the United States to certain real property to be donated by Mr. Henry Ford and wife for Veterans' Administration facility purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 35 minutes p. m.) the House, in accordance with its order previously entered, adjourned until Monday, March 22, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 a. m., Wednesday, March 24, 1937. Business to be considered: Hearing on natural gas bills. In view of the hearing which the committee held last year, it is hoped that the hearing this year will be limited to new matter as far as possible.

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, March 30, 1937. Business to be considered: Aviation bills (hearing).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

450. A letter from the Attorney General, transmitting the draft of a proposed bill to amend the National Stolen Property Act; to the Committee on the Judiciary.

451. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 17, 1937, submitting a report, together with accompanying papers, on a preliminary examination of cut-off from Lemon Bay to Gulf of Mexico and the opening of Lemon Bay for inland waterway purposes, authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

452. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 17, 1937, submitting a report, together with accompanying papers, on a preliminary examination of, and review of reports on, Santa Monica Harbor, Calif., authorized by the River and Harbor Act approved August 30, 1935, and requested by resolution of the Committee on Commerce, United States Senate, adopted June 14, 1934; to the Committee on Rivers and Harbors.

453. A letter from the Acting Secretary of the Interior, transmitting a proposed amendment to the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Insular Affairs.

454. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill to enlarge and extend the authority of the Secretary of the Interior under the acts of June 9, 1916 (39 Stat. 218), and February 26, 1919 (40 Stat. 1179), as amended; to the Committee on the Public Lands.

455. A letter from the Attorney General, transmitting a draft of a proposed bill to amend subsection (a) of section 2 of the act of May 18, 1934 (48 Stat. 783; U. S. C., title 12, secs. 588a to 588d), as enlarged by section 333 of the act of August 23, 1935 (49 Stat. 720), so as to include within its prohibitions the crimes of burglary and larceny of a bank covered by its provisions; to the Committee on the Judiciary.

456. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to revise the boundary of the Grand Canyon National Park in the State of Arizona; to abolish the Grand Canyon National Monument; to restore certain lands to the public domain; and for other purposes"; to the Committee on the Public Lands.

457. A letter from the Acting Secretary of War, transmitting a draft of a bill to authorize the Secretary of War to sell, loan, or give samples of supplies and equipment to prospective manufacturers, which the War Department presents for the consideration of the Congress with a view to its enactment into law; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McMILLAN: Committee on Appropriations. H. R. 5779. A bill making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1938, and for other purposes; with amendment (Rept. No. 433). Referred to the Committee of the Whole House on the state of the Union.

Mr. McCLELLAN: Committee on the Public Lands. H. R. 4655. A bill to accept the cession by the State of Arkansas of jurisdiction over all lands now or hereafter included within the Hot Springs National Park, Ark., and for other purposes; without amendment (Rept. No. 434). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 5592. A bill to amend an act entitled "An act extending the homestead laws and providing for right-of-way for railroads in the District of Alaska, and for other purposes", approved May 14, 1898 (30 Stat. 409, 414); without amendment (Rept. No. 435). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5492) for the relief of Gilbert A. Watkins; Committee on Invalid Pensions discharged and referred to the Committee on Claims.

A bill (H. R. 5526) for the relief of John W. Taylor; Committee on Invalid Pensions discharged and referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McMILLAN: A bill (H. R. 5779) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1938, and for other purposes; to the Committee on Appropriations.

By Mr. CONNERY: A bill (H. R. 5780) to increase the grants to States for old-age assistance; to the Committee on Ways and Means.

By Mr. JOHNSON of Minnesota: A bill (H. R. 5781) to provide for the carrying out of the award of the National War Labor Board of April 11, 1919, and the decision of the Secretary of War of date November 30, 1920, in favor of certain employees of the Minneapolis Steel & Machinery Co., Minneapolis, Minn.; of the St. Paul Foundry Co., St. Paul, Minn.; of the American Hoist & Derrick Co., St. Paul, Minn.; and of the Twin City Forge & Foundry Co., Stillwater, Minn.; to the Committee on Claims.

By Mr. WHITE of Ohio: A bill (H. R. 5782) to amend the Tariff Act of 1930, as amended; to the Committee on Ways and Means.

By Mr. JOHNSON of Minnesota: A bill (H. R. 5783) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1937, and for other purposes; to the Committee on Appropriations.

By Mr. CONNERY: A bill (H. R. 5784) to provide equal opportunities under the 10-percent differential for night work and overtime pay for work in excess of 8 hours for employees of the custodial service of the United States Post Office Department, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. LUCKEY of Nebraska: A bill (H. R. 5785) to establish a Department of National Defense, to consolidate therein the Department of War and the Department of the Navy, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. CROWTHER: A bill (H. R. 5786) to repeal certain provisions relating to compensation paid to officers and employees of corporations; to the Committee on Ways and Means.

By Mr. GASQUE: A bill (H. R. 5787) granting pensions and increases of pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes; to the Committee on Pensions.

By Mr. WALTER: A bill (H. R. 5788) to provide that graduates of approved school ships may be rated as able seamen upon graduation; to the Committee on Merchant Marine and Fisheries.

Also, a bill (H. R. 5789) for the improvement of the Delaware River watershed, Pennsylvania, beginning at Chestnut Hill, to provide flood control, water supply, and to encourage agricultural, industrial, and economic development; to the Committee on Flood Control.

Also, a bill (H. R. 5790) to increase the United States Veterans' Administration's hospital facilities at Philadelphia, Pa.; to the Committee on Naval Affairs.

By Mr. HOBBS: Resolution (H. Res. 160) to authorize the investigation of the moving-picture industry; to the Committee on Rules.

By Mr. KNUTSON: Joint resolution (H. J. Res. 287) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. BARRY: Joint resolution (H. J. Res. 288) to permit articles imported from foreign countries for the purpose of exhibition at the New York World's Fair, 1939, New York, N. Y., to be admitted without payment of tariff, and for other purposes; to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

The SPEAKER: Memorial of the Legislature of the State of Oklahoma memorializing the President and the Congress of the United States to support the farm-tenant program and assuring the President and Congress of Oklahoma's willingness to cooperate in carrying out said program; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY: A bill (H. R. 5791) granting an increase of pension to Lena Margraffe; to the Committee on Invalid Pensions.

By Mr. BRADLEY: A bill (H. R. 5792) for the relief of Benjamin Franklin; to the Committee on Naval Affairs.

By Mr. CLASON: A bill (H. R. 5793) for the relief of Josephine Fontana; to the Committee on Claims.

By Mr. CLAYPOOL: A bill (H. R. 5794) granting an increase of pension to Augusta Lambert; to the Committee on Invalid Pensions.

By Mrs. HONEYMAN: A bill (H. R. 5795) for the relief of George Waale Co.; to the Committee on Claims.

By Mr. JOHNSON of Minnesota: A bill (H. R. 5796) for the relief of Edward C. Lynch; to the Committee on Claims.

By Mr. MAAS: A bill (H. R. 5797) for the relief of W. G. Graham; to the Committee on Claims.

By Mr. O'TOOLE: A bill (H. R. 5798) for the relief of Francesco Paradino; to the Committee on Immigration and Naturalization.

By Mr. ROBSION of Kentucky: A bill (H. R. 5799) granting a pension to Mary E. Brummett; to the Committee on Pensions.

By Mr. SCHUETZ: A bill (H. R. 5800) for the relief of Eugene F. Samuelson; to the Committee on Military Affairs.

Also, a bill (H. R. 5801) for the relief of Thomas J. Kruk; to the Committee on Military Affairs.

By Mr. SHAFER of Michigan: A bill (H. R. 5802) granting a pension to Maude Holmes; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1219. By Mr. ASHBROOK: Petition of the Democratic Women's Club of Center Village, Ohio, endorsing the President's Supreme Court proposal; to the Committee on the Judiciary.

1220. Also, petition of the German Sick and Benevolent Society of Mansfield, Ohio, favoring President Roosevelt's Supreme Court proposal; to the Committee on the Judiciary.

1221. By Mr. CROWTHER: Petition of the citizens of Schenectady, N. Y., opposing enactment of House bill 4417; to the Committee on the Judiciary.

1222. By Mr. FISH: Petition of 27 residents and citizens of Wassau, Wis., opposing the President's proposal to enlarge the Supreme Court; to the Committee on the Judiciary.

1223. Also, petition of four citizens and residents of Cortland, N. Y., protesting against the President's plan to control or subordinate the Supreme Court; to the Committee on the Judiciary.

1224. Also, resolution adopted at a business meeting of the town of Newburgh, Orange County (N. Y.) Agricultural Society, opposing the President's proposal to change the Supreme Court; to the Committee on the Judiciary.

1225. Also, petition of 36 citizens and residents of the city of Middletown, Orange County, N. Y., opposing the President's plan to pack and control the Supreme Court; to the Committee on the Judiciary.

1226. Also, letter signed by Mrs. Edwin A. Lloyd, president, and Caroline C. Moore, secretary, Woman's Christian Temperance Union of Poughkeepsie, Dutchess County, N. Y.,

an organization of 70 women, opposing the President's proposal to pack and control the Supreme Court; to the Committee on the Judiciary.

1227. Also, petition of 29 citizens and residents of the city of Newburgh, Orange County, N. Y., opposing the President's proposal to enlarge the Supreme Court; to the Committee on the Judiciary.

1228. Also, petition of 275 citizens and residents of the city of Brooklyn, protesting against the President's proposal, or any substitutes, permitting the executive branch of the Government to control or subordinate the judicial or the legislative powers established under the Constitution; to the Committee on the Judiciary.

1229. By Mr. FITZPATRICK: Petition signed by Rudolph Schott and 20 other residents of Bronx County, N. Y., urging the passage of House bills 276, 279, and 298 increasing the salaries of custodial employees in the Post Office Department; to the Committee on the Post Office and Post Roads.

1230. Also, petition adopted by the First Ward Democratic Club of Yonkers, N. Y., endorsing such legislation as proposed by President Roosevelt for the reorganization of the Federal judiciary; to the Committee on the Judiciary.

1231. By Mr. GOODWIN: Petition of residents of Kingston, N. Y., under the auspices of the American Labor Party, expressing approval and support of President Roosevelt's proposed reform of the Federal judiciary and of the Supreme Court of the United States as contained in his message to Congress of February 6, 1937; to the Committee on the Judiciary.

1232. Also, petition of the citizens of Rhinebeck, Clermont, and Red Hook, N. Y., under the auspices of the American Coalition of New York, opposing the proposal of the President to affect the decisions of the Supreme Court by increasing its membership; also any compromise upon this fundamental issue; to the Committee on the Judiciary.

1233. By Mr. CRAWFORD: Petition of the Saginaw Chapter of the Daughters of the American Revolution, opposing any program tampering with the Supreme Court; to the Committee on the Judiciary.

1234. By Mr. JARRETT: Petition of the Clarion County Pomona Grange, No. 27, Rimersburg, Pa., protesting against the President's proposed plan to enlarge the Supreme Court; to the Committee on the Judiciary.

1235. Also, petition of 1,200 members of the Federation of Women's Clubs and allied organizations of Oil City, Pa., protesting against the President's proposal to enlarge the United States Supreme Court or destroy the constitutional checks and balances in our Federal Government; to the Committee on the Judiciary.

1236. By Mr. JOHNSON of Texas: Petition of the Texas State Legislature, favoring House bill 1546, to extend for 2 additional years the 3½-percent interest rate on certain Federal land-bank loans, etc.; to the Committee on Agriculture.

1237. Also, petition of Mrs. J. F. Ward, route 1, Ennis, Tex., favoring House bill 87; to the Committee on Ways and Means.

1238. By Mr. KEOGH: Petition of Richey, Browne & Donald, of Maspeth, N. Y., concerning the Beiter bill (H. R. 4594) to amend the Revenue Act of 1936; to the Committee on Ways and Means.

1239. By Mr. MOTT: House Joint Memorial No. 17, of the Thirty-ninth Legislative Assembly of the State of Oregon, urging that the bill now pending before the Congress of the United States providing for the extension of the contracts of star-route carriers for the period of 4 years be considered, and to so amend such bill as to increase the compensation now paid to such carriers; to the Committee on the Post Office and Post Roads.

1240. Also, House Joint Memorial No. 18, of the Thirty-ninth Legislative Assembly of the State of Oregon, urging the Congress to enact House bill 4009, authorizing an appropriation of $50,000,000 to be apportioned among the various States of the United States; to the Committee on Agriculture.

1241. By Mr. THOMAS of New Jersey: Petition of Bergen County residents, entering their protest against any change in the Supreme Court plan; to the Committee on the Judiciary.

1242. By Mr. SWOPE: Petition of Mary Baker and 25 other citizens of Dauphin and Cumberland Counties, Pa., favoring the enactment of House bill 2257, providing for a national and uniform system of old-age pensions; to the Committee on Ways and Means.

1243. Also, petition of Katie Hollinger and 16 other citizens of Dauphin County, Pa., favoring the enactment of House bill 2257, providing for a national and uniform system of old-age pensions; to the Committee on Ways and Means.

1244. Also, petition of John Kotzmoyer and six other citizens of Cumberland County, Pa., favoring the enactment of House bill 2257, providing for a national and uniform system of old-age pensions; to the Committee on Ways and Means.

1245. Also, petition of Mary Wilson and 16 other citizens of Dauphin County, Pa., favoring the enactment of House bill 2257, providing for a national and uniform system of old-age pensions; to the Committee on Ways and Means.

1246. Also, petition of Harold Worthington and 18 other citizens of Cumberland County, Pa., favoring the enactment of House bill 2257, providing for a national and uniform system of old-age pensions; to the Committee on Ways and Means.

1247. Also, petition of Edward Miller and 18 other citizens of Dauphin County, Pa., favoring the enactment of House bill no. 2257, providing for a national and uniform system of old-age pensions; to the Committee on Ways and Means.

1248. Also, petition of Mr. and Mrs. Charles E. Maley, Jr., and 16 other persons of Dauphin County, Pa., favoring the enactment of House bill no. 2257, providing for a national and uniform system of old-age pensions; to the Committee on Ways and Means.

1249. Also, petition of Della Wise and 17 other persons, of Dauphin County, Pa., favoring the enactment of House bill no. 2257, providing for a national and uniform system of old-age pensions; to the Committee on Ways and Means.

1250. By Mr. THOMAS of New Jersey: Resolution of the Regular Republican Club of Montvale, Inc., Montvale, N. J., opposing the President's Supreme Court recommendation; to the Committee on the Judiciary.

1251. Also, resolution from the Women's Republican Club of Palisades Park, N. J., recording the opposition of the members of the club to the enactment of the President's Supreme Court plan; to the Committee on the Judiciary.

SENATE

MONDAY, MARCH 22, 1937

(Legislative day of Friday, Mar. 19, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, March 19, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Bulow	George	King
Andrews	Burke	Gerry	La Follette
Ashurst	Byrd	Gibson	Lee
Austin	Byrnes	Gillette	Lodge
Bachman	Capper	Green	Logan
Bailey	Caraway	Guffey	Lonergan
Bankhead	Chavez	Hale	Lundeen
Barkley	Clark	Harrison	McAdoo
Bilbo	Connally	Hatch	McGill
Black	Copeland	Hayden	McKellar
Bone	Davis	Herring	McNary
Borah	Dieterich	Holt	Minton
Bridges	Duffy	Hughes	Moore
Brown, Mich.	Ellender	Johnson, Calif.	Murray
Brown, N. H.	Frazier	Johnson, Colo.	Neely